

Comparative Digest of Credit Union Acts: Membership
CUNA's State Government Affairs – 2013

TABLE OF CONTENTS

Chapter	Page
1 Membership and Organizations that Qualify for Credit Union Membership	1
2 Service to Low Income Consumers	44
3 Credit Unions in Schools	56
4 Membership Retention	63
5 Member Liability	71
6 Termination of Membership	78
7 Suspension of Services	99
8 Meetings of Members, Including Special Membership Meetings	107

Appendices

A	Membership and Organizations that Qualify for Credit Union Membership
B	Service to Low Income Consumers
C	Credit Unions in Schools
D	Membership Retention
E	Member Liability
F	Termination of Membership
G	Suspension of Services
H	Regular Meetings of Members
I	Special Meetings of Members

Chapter 1

Membership and Organizations that Qualify for Credit Union Membership

2011 Model Credit Union Act:

Section 4.05. Membership.

The membership of a credit union shall be determined by the board of directors of such credit union and shall consist of persons who have been duly admitted as members.

Section 4.10 Organizations That Qualify For Credit Union Membership.

Any incorporated or unincorporated organization and the organization's employees may be admitted to membership in the same manner and under the same conditions as individuals.

Comparative Digest of Credit Union Acts*: Membership Provisions from State Credit Union Acts

Membership and Organizations that Qualify for Credit Union Membership

*There are 47 state credit union acts. Delaware, South Dakota and Wyoming do not have a state credit union act.

Alabama

§ 5-17-5. Membership

Credit union membership shall consist of the incorporators and such other persons as may be elected to membership and who subscribe to at least one share and pay the initial installment thereon and the entrance fee. Organizations, incorporated or otherwise, composed for the most part of the same general group as the credit union membership may be members. Credit union organization shall be limited to groups, of both large and small membership, having a common bond of occupation or association or to groups within a well-defined neighborhood, community or rural district.

Alaska

Sec. 06.45.070. Membership

Credit union membership consists of the incorporators and other persons and incorporated and unincorporated organizations, to the extent permitted by regulations adopted by the commissioner, elected to membership. Each member shall subscribe to at least one share of the stock of the credit union and pay the initial installment on the stock and a uniform entrance fee if required by the board of directors of the credit union. Credit union membership is limited to groups having a common bond of occupation or association, or to groups within a well-defined neighborhood, community, or rural district. Shares may be issued in joint tenancy with right of survivorship with a person designated by the credit union member. A joint tenant may not be permitted to vote, obtain loans, or hold office, unless the joint tenant is within the field of membership and is qualified for membership.

Arizona

6-521. Membership

A. The membership of a credit union consists of the incorporators and other persons who are within the field of membership as prescribed in the bylaws, who have been duly accepted as members, who have paid any required one-time or periodic membership fee, or both, in accordance with any requirements in the bylaws, and who have complied with the other requirements the certificate of organization and bylaws provide.

B. Each member may own only one membership share.

6-522. Organization members

A. An organization comprised primarily of individuals who are eligible for membership in the credit union, and a corporation a majority of whose stockholders, by number, are such individuals, may be included in the field of membership. Additionally, an organization, one of whose principal functions is to provide services to persons who are eligible for membership in the credit union, may be admitted to membership.

B. A credit union or corporate credit union may accept as a member any other credit union organized under this chapter or any other credit union law.

Arkansas

23-35-401. Membership requirements

(a) The membership of a credit union shall be limited to and consist of the subscribers to the articles of incorporation and such other persons, having the common bond set forth in the bylaws, as have been admitted as members, have paid the entrance fee as provided in the bylaws, have prescribed and paid for one (1) or more shares, and have complied with such other requirements as the articles of incorporation and bylaws may specify.

(b)(1) Credit union organizations, other than central credit unions, shall be limited to:

(A) Groups having a common bond of occupation;

(B) Associations;

(C) Residents within a well-defined neighborhood, community, or rural district;

(D) Employees of a common employer, or an affiliate of a subsidiary of a common employer;

(E) Members of a bona fide fraternal, religious, cooperative, labor, rural, educational, or similar organization; and

(F)(i) Members of the immediate family of such persons.

(ii) "Members of the immediate family" shall include the wife, husband, children, parents, grandparents, and grandchildren of a member.

(2) Societies and associations composed of individuals who are eligible for membership may be admitted to membership in the same manner and under the same conditions as individuals but may not borrow in excess of their shareholdings.

(c) Membership in credit unions organized as central credit unions shall be limited to:

(1) Credit unions organized under this chapter and federally chartered credit unions located in

Arkansas;

(2) A member of a credit union organized under this chapter or a federally chartered credit union located in Arkansas, if the credit union of which he is a member agrees to such membership and will provide an affidavit that at the time the member applies for membership in a central credit union the member has:

(A) Reached the loan limit at his own credit union, and the credit union of which he is a member will substantiate in writing the member's loan credibility under such rules and forms as the supervisor shall prescribe;

(B) Reached the maximum share limit at his own credit union; or

(C) Reached the maximum share limit at his own credit union which is covered by life savings insurance, and the central credit union also provides life savings insurance;

(3)(A) With the approval of the State Credit Union Supervisor, employees of an employer with insufficient employees to form and conduct the affairs of a separate credit union and persons in the field of membership of liquidating credit unions and the immediate families of those persons.

(B) In making his determination under this subsection, the supervisor may disregard the common bond requirements of this chapter if he finds that the affiliation would benefit the members and be consistent with the purposes of this chapter.

(C) If the membership of a liquidating credit union is seeking to merge with a central credit union under the provisions of subdivision (c)(3) of this section, all provisions of 23-35-701 shall apply except for the common bond requirements.

(D) Each employer or liquidating credit union whose employees or members are approved as members of a central credit union shall be specifically named in the common bond section of the bylaws;

(4) Employees of the credit union;

(5) Current members of the credit union if it is converting to a central credit union; and

(6) Employees of the Arkansas Credit Union League.

California

14800

(a) Every credit union may admit to membership those persons qualified for membership upon the occurrence of any of the following:

(1) Upon the purchase of a membership in the credit union as provided in the credit union's bylaws.

(2) Upon the payment of an entrance fee established from time to time by the board of directors.

(3) Upon the purchase of one or more shares in the credit union as provided in the credit union's bylaws.

(b) No officer, director, committee member, or employee of any credit union shall approve a person for admission to membership or admit an applicant for membership in the credit union or extend any benefit or service of the credit union to any person, unless that person is admitted to membership in the credit union pursuant to subdivision (a).

(c) Nothing in subdivisions (a) and (b) shall be construed to limit the powers of a credit union to engage in joint service programs or business relationships for the benefit of their members where some incidental benefit may flow to third parties to the transaction or the authority for a credit union to engage in joint loan programs pursuant to Section 14959.

(d) Nothing in this section prohibits a credit union from admitting to membership a corporation in which the credit union holds shares pursuant to Section 14650 or a corporation formed to provide services to credit unions or to credit union members in which the credit union holds shares or a limited liability company formed to provide services to credit unions or to credit union members in which the credit union holds membership or economic interests pursuant to Section 14651.

Colorado

11-30-103. Membership

(1) Credit union membership shall consist of the incorporators and any other persons and organizations which are elected to membership and which pay any entrance fee. Organizations, incorporated or otherwise, composed for the most part of the same general group as the credit union membership may be members. A central credit union may be organized under this article and may have a membership made up principally of other credit unions organized pursuant to this article or any credit unions authorized to operate within the state of Colorado, and such membership may also include the officers and committee members of such credit unions, members or persons within the field of membership of credit unions within the state which have entered into or are about to enter into voluntary or involuntary liquidation proceedings, and small groups which the commissioner determines lack the potential membership to organize their own credit union if such groups have a common bond of employment or association.

(2) Credit union organization and membership, other than those of a central credit union, shall be limited to groups having a common bond of employment or association or groups which reside within a well-defined neighborhood, community, or rural district having a population of no more than twenty-five thousand or as otherwise authorized by the board. Small groups which the commissioner determines to lack the potential membership to organize their own credit union may be eligible for membership in an existing credit union if such small groups have a common bond of employment or association. A member of the immediate family of any person who, under the provisions of this article, is eligible for membership in a credit union may also be admitted to membership therein. "Immediate family" means persons related by blood, by marriage, or by adoption.

(3) A member who leaves the field of membership of the credit union may retain membership in the credit union as provided by the bylaws of the credit union.

(4) Except as to accounts, which are defined in and which shall be paid as provided for in article 15 of title 15, C.R.S., nothing in this article shall be construed to prohibit credit unions organized under this article from carrying membership accounts in the names of two or more persons in joint tenancy; and, if any credit union transacting business in this state issues shares and deposits in the names of two or more persons payable to them or to any of them, such shares and deposits, or any part thereof or any interest or dividend thereon, may be paid to any one of said persons whether the others are living or not, and the receipt or acquittance of the person so paid shall be a valid and sufficient discharge to the credit union from all of said persons and their heirs, executors, administrators, and assigns, and such shares and deposits shall be deemed to be owned by said persons in joint tenancy with the right of survivorship.

11-30-103.5. Branches

Any credit union with a common bond consisting of groups residing within a well-defined neighborhood, community, or rural district having a population of greater than one hundred thousand shall be limited to one additional branch office until January 1, 1997.

Connecticut

Sec. 36a-438a. Field of membership. Expansion. Change in field of membership

(a)(1) Except as provided in subdivision (2) of this subsection, the field of membership of a Connecticut credit union is limited to (A) a single common bond membership, (B) a multiple common bond membership, or (C) persons within a well-defined community, neighborhood or rural district.

(2) The field of membership of a Connecticut credit union may include (A) members of the immediate family or household of all persons included under subparagraphs (A), (B) and (C) of subdivision (1) of this subsection, (B) organizers and employees of such credit union, (C) the surviving spouse of a deceased member of such credit union, and (D) notwithstanding any change in employment, occupation, residence or other condition initially controlling the eligibility for membership in any Connecticut credit union, any person properly admitted to

membership in a Connecticut credit union. Such person may continue membership therein during such person's lifetime.

(3) The field of membership of a Connecticut credit union under subparagraphs (A) and (B) of subdivision (1) of this subsection may include associations and organizations of individuals who are members of such credit union, partnerships in which the majority of the partners are individuals who are members of such credit union, and corporations in which the majority of whose shareholders are individuals who are members of such credit union.

(4) The field of membership of a Connecticut credit union under subparagraph (C) of subdivision (1) of this subsection may include groups located outside of the well-defined community, neighborhood or rural district such credit union serves that were within such credit union's field of membership at the time it converted from a field of membership specified in subparagraph (A) or (B) of said subdivision (1), provided such credit union's continuing relationships with such groups are not exclusive and, if authorized under this chapter, other Connecticut credit unions may also provide services to such groups. The commissioner may not approve an amendment to the bylaws of such a credit union under this subdivision unless the commissioner determines in writing that any potential harm that the expansion of the field of membership of such credit union may have on any other Connecticut credit union and its members is clearly outweighed in the public interest by the probable beneficial effect of the expansion in meeting the convenience and needs of the members of the group proposed to be included in the field of membership.

(b) Notwithstanding the provisions of subsection (a) of this section, the commissioner may authorize a Connecticut credit union with a multiple common bond membership to include in its field of membership any person within a well-defined community, neighborhood or rural district if:

(1) The commissioner determines that the well-defined community, neighborhood or rural district is (A) an investment area, as defined in Section 103(16) of the Community Development Banking and Financial Institutions Act of 1994, 12 USC Section 4702(16), and meets any additional requirements that the commissioner may impose; and (B) underserved by other depository institutions, as defined in Section 19(b)(1)(A) of the Federal Reserve Act, 12 USC Section 461(b), based on data of the commissioner and federal supervisory agencies; and

(2) The Connecticut credit union establishes and maintains a main office or branch in the well-defined community, neighborhood or rural district at which credit union services are available.

(c) Any Connecticut credit union that is so authorized to expand its field of membership under subsection (b) of this section continues as a Connecticut credit union whose field of membership is limited to a multiple common bond membership.

(d) (1) The commissioner may not approve an amendment to the bylaws of a Connecticut credit union with a multiple common bond membership to expand its field of membership to add a group of five hundred or more potential members, excluding individuals who are potentially eligible as members of the immediate family or household of a potential member, or persons within a well-defined community, neighborhood or rural district, unless the commissioner determines in writing that (A) the Connecticut credit union has not engaged in any material unsafe or unsound practice during the one-year period preceding the date on which the proposed amendment is filed with the commissioner, (B) the Connecticut credit union is adequately capitalized, (C) the Connecticut credit union has the administrative capability to serve the proposed membership group and the financial resources to meet the need for additional staff and assets to serve the new membership group, (D) any potential harm that the expansion of the field of membership of the Connecticut credit union may have on any other Connecticut credit union and its members is clearly outweighed in the public interest by the probable beneficial effect of the expansion in meeting the convenience and needs of the members of the group proposed to be included in the field of membership, and (E) formation of a separate credit union by the group proposed to be included is not practicable and consistent with reasonable safety and soundness standards. A Connecticut credit union whose field of membership is limited to a single common bond membership or multiple common bond membership that acquires as potential members persons within a well-defined community, neighborhood or rural district, other than the well-defined community, neighborhood or rural district specified in subdivision (1) of subsection (b) of this section, by merger, expansion or otherwise, shall become a Connecticut credit union whose field of membership is limited to persons within a well-defined community, neighborhood or rural district.

(2) The commissioner may withhold or condition an approval of an amendment to the bylaws sought by a community credit union, as defined in section 36a-37, under this subsection pursuant to the provisions of section 36a-37d.

(3) The commissioner may approve an amendment to the bylaws of a Connecticut credit union to change the field of membership without regard for the common bond whenever the commissioner determines that continued operation of the Connecticut credit union without the proposed amendment may result in liquidation or merger of such credit union.

Florida

657.023 Membership

- (1) Upon payment of any required entrance or membership fee, payment of shares as required by the bylaws, and compliance with the bylaws, any person within the limited field of membership of a credit union may be admitted to its membership.
- (2) Members of the credit union shall not be personally or individually liable for payment of the debts of the credit union.
- (3) A credit union may close the account and terminate the membership of any member whose actions have resulted in any financial loss to the credit union or for good cause.

(4) Denial of membership hereunder shall not be considered to be a denial of credit.

Georgia

7-1-651. Membership; shares

(a) The membership of the credit union shall consist of the initial subscribers and such other persons within the field of membership as may have subscribed to one share and have paid for same together with the required entrance fee and complied with all other requirements contained in the bylaws. No subscriber or other member shall hold more than one share out of any class of shares. The bylaws may provide for separate classes of shares for borrowers and depositors and for the par value of each share for each class but in no event shall the par value be less than \$1.00.

(b) Societies, associations, partnerships, and corporations composed of persons who are eligible for membership may be admitted to membership in the same manner and under the same conditions as such persons.

(c) A person or corporation who leaves the field of membership may be permitted to retain his membership in the credit union at the discretion of the board of directors.

Hawaii

§412:10-109 Membership

(a) The membership of a credit union shall consist of those persons who share a common bond set forth in the articles of association, have been duly admitted members, have paid any required one-time or periodic membership fee, or both, have subscribed to one or more shares and have complied with such other requirements as the articles of association and bylaws specify.

(b) Organizations comprised primarily of individuals who are eligible for membership in the credit union, and corporations whose total number of stockholders or whose majority stockholders are comprised primarily of such individuals, may be admitted to membership in the same manner and under the same conditions as individuals. Likewise, organizations one of whose principal functions is to provide services to persons who are eligible for membership in the credit union may be admitted to membership. Other organizations having a commonality of interest with the credit union may be admitted to membership with the approval of the commissioner.

(c) Any credit union organized under this article may accept as a member any other credit union organized under this chapter or federal law.

(d) The board of directors shall act on all membership applications, unless the board has appointed one or more membership officers, who shall be empowered to approve or disapprove membership applications according to criteria established in the bylaws and under the direction of the board. A record of the actions taken by a membership officer shall be made available in writing to the board of directors for inspection. Any person whose application has been disapproved may appeal such decision to the board in writing.

(e) Members who cease to be eligible for membership may be permitted to retain their membership in the credit union, under reasonable standards established by the board of directors.

(f) The members of a credit union shall not be personally or individually liable for the payment of the credit union's debts solely by virtue of holding membership.

(g) The board of directors may expel a member from membership in the credit union, if such member fails to comply with the articles, bylaws, rules, or regulations of the credit union, any law applicable to the credit union, or for any other just cause; provided that no member may be expelled unless:

(1) The member has been informed in writing of the reasons for the expulsion;

(2) The member has, upon request, a reasonable opportunity to present evidence and argue against the expulsion, before a hearing panel consisting of the board of directors and the supervisory committee; and

(3) If the hearing is requested, a majority of the hearing panel votes to expel the member.

The amounts paid by an expelled member for shares of the credit union shall be paid to such member after deducting any amounts due by such member to the credit union; provided that such expulsion shall not relieve the expelled member from any remaining liability to the credit union.

(h) Any proposed change to a credit union's field of membership, whether it is an addition, deletion, or simple update, shall require the prior written approval of the commissioner. Upon receipt of the commissioner's approval, the change shall be reflected formally in the credit union's articles of association.

Idaho

26-2110. Membership

(a) The membership of a credit union shall be limited to and consist of the subscribers to the articles of incorporation and such other persons having the common bond set forth in the articles of incorporation as have been duly admitted members, have paid the entrance fee, if any, as provided in the bylaws, have subscribed and paid for one or more shares, and have complied with such other requirements as the articles of incorporation or bylaws may specify.

(b) Credit union organizations shall be limited to groups having a common bond of occupation or association, or to residents within a well-defined neighborhood, community, or rural district, employees of a common employer, or members of a bona fide fraternal, religious, cooperative, labor, rural, educational, or similar organization and members of the immediate family of such persons.

(c) Societies and associations composed entirely of individuals who are within the field of membership of the credit union may be admitted to membership in the same manner and under the same conditions as individuals.

(d) An individual who leaves the field of membership may be permitted to retain his membership in the credit union at the discretion of the board, and as provided in the bylaws.

(e) An employer, including the state and its political subdivisions, may become a member of a credit union, of which its employee is a member, only for the purpose of placing shares or

deposits in the credit union pursuant to an employee deferred compensation plan qualified under chapter 400 of the internal revenue code of 1954, as amended, or other retirement plans set out in section 26-2151, Idaho Code.

(f) Credit unions may become members of other Idaho credit unions for the purposes provided in section 26-2120, Idaho Code.

Illinois

(205 ILCS 305/15) (from Ch. 17, par. 4416)

Sec. 15. Membership defined

(1) The membership of a credit union shall be limited to and consist of the subscribers to the articles of incorporation and such other persons within the common bond, as defined in this Act and as set forth in the credit union's articles of incorporation, as have been duly admitted members, have paid the required entrance fee or membership fee, or both, if any, have subscribed for one or more shares, and have paid the initial installment thereon, and have complied with such other requirements as the articles of incorporation or bylaws specify. Two or more persons within the common bond who have jointly subscribed for one or more shares under a joint account and have complied with all membership requirements may each be admitted to membership. The surviving spouse of a credit union member may, within 6 months of the member's death, become a member of the credit union by paying the required entrance fee or membership fee or both, if any, by subscribing for one or more shares and paying the initial installment thereon, and by complying with such other requirements as the articles of incorporation or bylaws specify.

(2) Any member may withdraw from a credit union at any time upon giving notice of withdrawal as required by the bylaws.

(3) Any member may be expelled by a 2/3 vote of the members present at any regular or special meeting called to consider the matter, but only after an opportunity has been given to the member to be heard.

(4) A member who has caused a loss to the credit union, failed to maintain one or more shares at the credit union, or violated board policy applicable to members may be expelled by a majority vote of a quorum of directors if the board has adopted a policy providing for expulsion under those circumstances. In maintaining and enforcing a policy based on loss, the board may consider, without limitation, a member's failure to pay amounts due under a loan, failure to provide collected funds to cover withdrawals or personal share drafts or credit union drafts where the member is a remitter, or failure to pay fees or charges due the credit union. If a policy is adopted by the board pursuant to this subsection (4), written notice of the policy and the effective date of the policy shall be mailed to each member of the credit union at the member's current address appearing on the records of the credit union. The policy shall be mailed to members not fewer than 30 days prior to the effective date of the policy. In addition, new members shall be provided written notice of the policy prior to or upon applying for membership.

(5) All or any part of the amount paid on shares of a withdrawing member or expelled member with any declared dividends or interest on the date of withdrawal or expulsion must,

after deducting all amounts due from the member to the credit union, be paid to him. The credit union may require not more than 60 days' written notice of intention to withdraw shares, but a notice of withdrawal does not entitle the member to any preferred or prior claim in the event of liquidation. Withdrawing or expelled members have no further rights in the credit union, but are not, by withdrawal or expulsion, released from any obligation they owe to the credit union.

(6) A member who has caused a loss to the credit union or has violated board policy applicable to members may be denied any or all credit union services in accordance with board policy, however, members who are denied services shall be allowed to maintain a share account and to vote on all issues put to a vote of the membership.

(7) If a member fails to maintain one fully paid share, the credit union, at its option, may permit the member to re-subscribe and pay for one or more shares within 30 days after the date the member failed to maintain one fully paid share, without affecting the member's status or rights as a member during that period. A member that fails to re-subscribe for at least one fully paid share within the 30-day period shall be automatically expelled from the credit union and treated as an expelled member under subsection (5) of this Section 15.

205 ILCS 305/16) (from Ch. 17, par. 4417

Sec. 16. Societies and associations

Societies, associations, clubs, partnerships, corporations, and limited liability companies in which the majority of the members, partners, or shareholders are individuals who are eligible for credit union membership may be admitted to membership in a credit union in the same manner and under the same conditions as individuals, subject to such rules as the Secretary and the Director may promulgate hereunder.

Indiana

IC 28-7-1-10

Membership; identification; qualified groups; membership cards

Sec. 10. (a) The membership of credit unions shall be clearly and specifically identified. The membership of a credit union shall be limited to one (1) or more qualified groups of persons, immediate family members of the persons in the qualified group or groups, and organizations of those persons. For purposes of this section, a qualified group consists of:

- (1) persons having a common bond of occupation, trade, or professional association;
- (2) members of a labor organization;
- (3) members of a church;
- (4) persons engaged in a common trade or profession within a well defined geographical location;
- (5) employees of the credit union;
- (6) persons who are members of a farm bureau cooperative, or other farm bureau organization, and who have subscribed to one (1) or more shares; or
- (7) persons who reside or are employed within a community.

(b) A credit union may expand its membership with an additional qualified group or groups upon prior approval of the department.

(c) Membership cards must be kept on file and maintained in the credit union's main office for inspection by examiners and must contain at least the following information:

(1) Account number, name, address, date of birth, signature of member, and the date signed.

(2) A statement that the member is eligible for membership in the credit union by reason of employment, membership, affiliation, association, or other relationship with the organization, institution, corporation, or entity included in the credit union's field of membership.

(3) Date, signature, and title of person authorized to record approval by the board, membership officer, or executive committee.

Iowa

533.202 Common bond — membership — ownership share

1. *a.* State credit union organization shall be available to groups of individuals who have a common bond of association such as, but not limited to, occupation, common employer, or residence within specified geographic boundaries.

b. Changes in the common bond may be made by the board of directors.

2. *a.* The membership of a state credit union consists of those persons in the common bond who have subscribed to one ownership share and have complied with the other requirements specified by the articles of incorporation and bylaws.

b. Organizations, incorporated or otherwise, may be members.

c. Unless the state credit union's bylaws state otherwise, once a person or organization becomes a member of a state credit union in accordance with this chapter, the person or organization may remain a member of that state credit union, and retain all membership privileges, until the person or organization chooses to withdraw from the membership of the state credit union, or is expelled pursuant to section 533.210.

Kansas

17-2205. Membership of credit union; continuation of branch operations, limitations

(a) (1) The membership shall consist of the organizers and such persons, societies, associations, copartnerships and corporations as have been duly elected to membership and have subscribed to one or more shares and have paid for the same, and have complied with such other requirements as the articles of incorporation may contain.

(2) Once a person becomes a member of the credit union, such person may remain a member of the credit union until the person chooses to withdraw or is expelled from the membership of the credit union.

(3) Members of a credit union also may include the following:

(A) The spouse of any person who died while such person was within the field of membership of the credit union;

(B) any employee of the credit union;

(C) any person who retired from any qualified employment group within the field of membership;

(D) any person of a volunteer group recognized by the management of the association or employee group within the field of membership and such person: (i) Has completed a training program offered by the volunteer group to further its goals; (ii) serves on the board of the volunteer group; or (iii) serves as an officer of the volunteer group;

(E) any member of such person's immediate family or household;

(F) any organization whose membership consists of persons within the field of membership; and

(G) any corporate or other legal entity within the field of membership as identified in the charter, articles of incorporation or bylaws of the credit union.

(4) For the purposes of subparagraph (E) of paragraph (3):

(A) Except as provided in subparagraph (B), the term "immediate family or household" shall mean spouse, parent, stepparent, grandparent, child, stepchild, sibling, grandchild or former spouse and persons living in the same residence maintaining a single economic unit with persons within the credit union's field of membership.

(B) If the credit union's bylaws adopted a definition of immediate family before June 30, 2008, the credit union may use that definition. A credit union may adopt a more restrictive definition of immediate family or household.

(C) If authorized in the credit union's bylaws, a member of the immediate family or household is eligible to join even when the eligible member has not joined the credit union.

(b) (1) Credit union organizations shall be limited to:

(A) A group having a single common bond of occupation or association;

(B) a group having multiple common bonds of occupation or association or any combination thereof. No such group shall have a membership of more than 3,000 except as permitted in subsections (c) or (d); or

(C) persons residing, working or worshipping in or organizations located within a geographic area.

(2) A common bond of occupation may include employees of the same employer, workers under contract with the same employer, businesses paid by the same employer on a continuing basis or employees in the same trade, industry or profession.

(3) A common bond of association may include members and employees of a recognized association as defined in such association's charter, bylaws or other equivalent document.

(c) A credit union which chooses to be limited as provided in subparagraph (C) of paragraph (1) of subsection (b) may include one or more common bonds of occupation or one or more common bonds of association or any combination thereof with no limitation on the number of members, if the employer or association is located in the geographic area of the credit union.

(d) A group formed with multiple common bonds of occupation or association may exceed 3,000 members if the administrator determines in writing that such group could not feasibly or reasonably establish a new single common bond credit union because the group:

(1) Lacks sufficient volunteer and other resources to support the efficient and effective operation of a credit union;

(2) does not meet the criteria established by the administrator indicating a likelihood of success in establishing and managing a new credit union, including demographic characteristics such as geographical location of members, diversity of ages and income levels, and other factors that may affect the financial viability and stability of a credit union; or

(3) would be unlikely to be able to operate in a safe and sound manner.

(e) (1) A geographic area may include:

(A) A single political jurisdiction;

(B) multiple contiguous political jurisdictions if the aggregate total of the population of the geographic area does not exceed 500,000, except as provided in subparagraph (C) or in subsections (i), (j), (k) and (l); or

(C) if the headquarters of the credit union is located in a MSA, the geographic area may include one or more political jurisdictions which share a common border to the MSA if the aggregate total of the population of the geographic area does not exceed 1,000,000. The maximum population available for any credit union whose headquarters is located within a MSA shall be adjusted by the administrator based upon the population data for the largest MSA in the state of Kansas, or any portion thereof located within the state of Kansas. The maximum

population available for any credit union whose headquarters is located within a MSA shall be determined by multiplying the population of the largest MSA in the state of Kansas, or that portion of such MSA located within the state of Kansas if the boundaries of such MSA extend outside the state of Kansas, as determined by the most recent population data, by the fraction having a numerator of 1,000,000 and a denominator of 750,000 for the purposes of this section, the administrator shall use population data based upon the adjusted federal census information presented to the legislature by the secretary of state pursuant to K.S.A. 11-304, and amendments thereto.

(2) Except as provided in subsections (i), (j), (k) and (l), from and after July 1, 2008, no geographic area shall consist of any congressional district or the entire state of Kansas.

(f) (1) Except as provided in subsections (i), (j), (k) and (l), from and after July 1, 2008, no credit union shall change or alter its field of membership except as provided in this section. Before a credit union can alter or change its field of membership, such credit union shall file, or cause to be filed, with the administrator, an application for amendment to its field of membership. The application shall include:

(A) Documentation showing that the proposed area or groups to be served meets the statutory requirements for field of membership set forth in this statute;

(B) pro forma financial statements for the first two years after the proposed alteration of or change in field of membership, including any assumption regarding growth in membership, shares, loans and assets;

(C) a marketing plan addressing how the proposed field of membership will be served;

(D) the financial services to be provided to the credit union's members;

(E) a local map showing the location of both current and proposed headquarters and branches; and

(F) the anticipated financial impact on the credit union in terms of need for additional employees and fixed assets.

(2) (A) The application shall also include a proof of publication of the notice that the affected credit union intends to file or has filed an application to alter or change its field of membership. Such notice shall be in the form prescribed by the administrator and shall at a minimum contain the name and address of the applicant credit union and a description of the proposed alteration of or change in the field of membership.

(B) The notice shall be published for two consecutive weeks in the Kansas register. The required publications shall occur within 60 days of and prior to the effective date of the proposed change. The applicant shall provide proof of publication to the administrator.

(g) For the purposes of this section:

(1) "MSA" means a metropolitan statistical area as defined by the United States department of commerce which has more than one county located in Kansas. If the boundaries of such MSA extend outside the state of Kansas only that portion of such MSA located within the state of Kansas shall be considered for the purposes of this section.

(2) "Political jurisdiction" means a city, county, township or clearly identifiable neighborhood.

(3) "Population data" means official state population figures for the state of Kansas, or any portion thereof, which are identical to the decennial census data from the actual enumeration conducted by the United States bureau of the census and used for the apportionment of the United States house of representatives in accordance with K.S.A. 11-304, and amendments thereto.

(h) No increase in the population reflected by the population data shall require a modification to a field of membership as in existence on June 30, 2008.

(i) Notwithstanding any other provisions of this section, any person, including any member of such person's immediate family or household, or organization that is a member of any credit union which was in existence on June 30, 2008, may continue to be a member of such credit union after such date. For the purposes of this subsection, if the term "member" refers to an individual, the term member may include any other person who is a member of such individual's immediate family or household as specified in subsection (a).

(j) (1) Notwithstanding any other provisions of this section:

(A) Any branch of a credit union that is in existence as of February 1, 2008, may continue to operate in the county where it is located on and after June 30, 2008. If such branch is unable to continue operations due to a natural disaster, eminent domain proceedings, loss of lease, loss of sponsor space or any condition outside of the control of the credit union, the credit union may establish a replacement branch in that county.

(B) Any credit union which has taken an overt step toward the construction of a new building, facility or branch on or before February 1, 2008, may continue to construct and operate the new building, facility or branch in the city in which such new building, facility or branch is located even if the construction is not completed on or before June 30, 2008. If such branch is unable to continue operations due to a natural disaster, eminent domain proceedings, loss of

lease, loss of sponsor space or any condition outside of the control of the credit union, the credit union may establish a replacement branch in that city.

(2) For the purposes of this subsection, the term "overt act" includes the:

(A) Purchase of or entering into a contract for the purchase of any necessary tract of land for the location of such new building, facility or branch of an existing credit union.

(B) Acquisition or lease of a building for the purpose of housing a new facility or branch of an existing credit union.

(C) Adoption of architectural drawings for the construction of a new building, facility or branch of an existing credit union.

(D) Adoption of architectural drawings for the renovation of an existing building for use as a facility or branch of an existing credit union.

(k) Notwithstanding any other provisions of this section, a member of any occupation or association group whose members constituted a portion of the membership of any credit union as of February 1, 2008, shall continue to be eligible to become a member of that credit union, by virtue of membership in that group on and after June 30, 2008. For purposes of this subsection, a patron of an organization is eligible for membership if such patron is an individual who uses the products and services of the organization which is included in the field of membership of the credit union at the time the patron applies for membership in the credit union.

(l) Notwithstanding any other provisions of this section, any credit union:

(1) Which has been granted a field of membership on or before February 1, 2008, which includes the entire state of Kansas or its residents shall, on or before January 1, 2009, adopt a field of membership that may include multiple contiguous political jurisdictions having an aggregate total population not to exceed 1,000,000. The population of the county of any branch of such credit union not located within the adopted field of membership shall not be included in the 1,000,000 population total. Any credit union with its headquarters located in a county that is not part of a MSA shall not include more than one MSA in its entirety in its adopted field of membership.

(2) With its headquarters located within a MSA as of February 1, 2008, may continue to include multiple contiguous political jurisdictions that were included in its field of membership as of February 1, 2008, if the aggregate total population of such multiple contiguous political jurisdictions does not exceed 1,000,000. If the field of membership of any credit union involves multiple contiguous political jurisdictions that have an aggregate total population that exceeds 1,000,000 as of February 1, 2008, then such credit union shall, on or before January 1, 2009,

adopt a field of membership that may include multiple contiguous political jurisdictions having an aggregate total population which does not exceed 1,000,000. The population of the county of any branch of such credit union not located within the adopted field of membership shall not be included in the 1,000,000 population total.

(3) With headquarters located in a county that is not part of a MSA may continue to include multiple contiguous political jurisdictions that were included in its field of membership as of February 1, 2008, if the aggregate total population of such multiple contiguous political jurisdictions does not exceed 1,000,000 population total. If the field of membership of any credit union involves multiple contiguous political jurisdictions that have an aggregate total population that exceeds 1,000,000 as of February 1, 2008, then such credit union shall, on or before January 1, 2009, adopt a field of membership that may include multiple contiguous political jurisdictions having an aggregate total population which does not exceed 1,000,000 population total. The population of the county of any branch of such credit union not located within the adopted field of membership shall not be included in the 1,000,000 population total. The adopted field of membership of such credit union shall not include more than one MSA in its entirety.

Kentucky

286.6-107 Membership defined

(1) The membership of a credit union shall be limited to and consist of the subscribers to the articles of incorporation and such other persons within the common bond set forth in the bylaws as have been duly admitted members, have paid any required entrance fee or membership fee, or both, have subscribed to one (1) or more shares, and have paid the initial installment thereon, and have complied with such other requirements as the articles of incorporation or bylaws specify.

(2) Credit union membership shall be limited to persons having a common bond of similar occupation, association or interest.

Louisiana

§645. Membership

A. The membership shall consist of the incorporators and such natural persons as have been duly elected to membership and have subscribed to one or more shares and have paid for the same in whole or in part with the entrance fee as required by the charter and by-laws and have complied with such other requirements as the act of incorporation may contain. Other organizations, incorporated or not, composed primarily of the same individuals who are eligible to membership in the credit union are also eligible to membership.

B. Credit unions shall be organized only within groups that have a common bond of residence within a well defined neighborhood, small community, or rural district, or occupation, or association, or any combination thereof. The minimum potential of one hundred persons shall be required in groups having a common bond of occupation, and a potential of two hundred

families shall be required in other type groups. Employee groups with insufficient membership shall be eligible in a central type credit union with the approval of the commissioner. Credit union membership shall consist of the incorporators and such other persons and incorporated and unincorporated organizations, to the extent provided for in the charter and bylaws, as may be elected to membership, and as such shall each subscribe to one share of its stock and a uniform entrance fee if required by the board of directors. A person who has retired from active employment, but receives retirement compensation, may continue to retain full membership.

C. Students who qualify for a student loan under the provisions of the Louisiana Higher Education Assistance Commission Act* shall be eligible for membership in any credit union domiciled in this state solely for the purpose of obtaining a student loan under the provisions of the Louisiana Higher Education Assistance Commission Act.

D. Members of a federally chartered or state chartered credit union in liquidation in Louisiana, who are residents of Louisiana, shall be eligible for membership in a central type credit union.

Maine

§814. Membership requirements

1. Field of membership. "Field of membership" of a credit union means those persons, including nonnatural persons, having a common bond of occupation or association; multiple groups of such persons, each group having a common bond of occupation or association within that group; residence or employment within a well-defined neighborhood, community or rural district; employment by a common employer or by employers located within a well-defined industrial park or community; membership in a bona fide fraternal, religious, cooperative, labor, rural, educational or similar organization; and members of the immediate families of such persons.

A. When determining whether a credit union's proposed field of membership meets the requirements of this section, the superintendent shall consider all relevant guidelines established by the National Credit Union Administration that address the issues of common bond, overlapping fields of membership, expansions or conversions of field of membership and the documentation required for amending a field of membership, except that the superintendent is not required to adhere to those guidelines.

A-1. Notwithstanding any federal law or guideline established by the National Credit Union Administration, the superintendent is authorized to permit a credit union that converts its field of membership to become a community-chartered credit union to retain in its field of membership, after such conversion, one or more groups or portions of groups that were included in the credit union's field of membership prior to the conversion. The superintendent may adopt rules in accordance with section 251 to implement this section. Rules adopted pursuant to this paragraph are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

B. The superintendent shall provide notice to interested parties of a bylaw amendment sought by a credit union that proposes a change in field of membership.

C. For purposes of this section, "nonnatural person" means a corporation, partnership, joint venture, trust, estate, unincorporated association, fraternal organization or voluntary association that is:

- (1) Specifically listed in a credit union's bylaws as a member;
- (2) With respect to a community-chartered credit union, located within the geographic limits of the credit union's field of membership; or
- (3) Composed principally of individual persons within the credit union's field of membership and the credit union's field of membership includes organizations of such persons.

Maryland

§ 6-302. Membership

(a) "Immediate family relative" defined. -- In this section, "immediate family relative" means:

- (1) A spouse;
- (2) A child;
- (3) A sibling;
- (4) A parent;
- (5) A grandparent;
- (6) A grandchild;
- (7) A stepparent;
- (8) A stepchild;
- (9) A step-sibling; or
- (10) Any adopted relative.

(b) Credit union member. -- A member of a credit union may be:

- (1) An individual who shares with other members of the credit union one of the common bonds within the field of membership types approved by the Commissioner;
- (2) An employee of the credit union;
- (3) An entity that is composed primarily of individuals who are eligible for membership;
- (4) An individual living in the same residence and maintaining a single economic unit with an individual who is eligible for membership; and
- (5) An immediate family relative of an individual who is eligible for membership.

(c) Membership requirements. -- A person that is eligible for membership under subsection (b) of this section becomes a member when the person:

- (1) Subscribes to and pays for at least one share; and
- (2) Meets all of the other requirements of the bylaws of the credit union.

(d) Family eligibility. -- Once an individual who is eligible for membership under subsection (b)(4) or (5) of this section becomes a member, then an immediate family relative of the member is eligible to become a member.

(e) Term of membership. -- A member remains a member of a credit union until the member:

- (1) Chooses to withdraw from the membership of the credit union; or
- (2) Is expelled by the board under § 6-319 of this subtitle.

Massachusetts

Title XXII, Chapter 171, Section 1, Definitions

“Member”, a person who holds one or more shares in the credit union.

Michigan

490.353 Membership; conditions

Sec. 353

- (1) Except as provided in this part, ownership of a share is a condition of membership in a domestic credit union. A domestic credit union may require ownership of a membership share rather than a share as a condition of membership. Except as provided in this section, a member may own only 1 membership share.
- (2) A domestic credit union may accept and maintain deposits under section 401(2)(x) without the depositor subscribing to or paying for a share in the domestic credit union.
- (3) If it is comprised for the most part of the same general group as the membership of the domestic credit union, a domestic credit union may accept a legal entity as a member of a domestic credit union.
- (4) If the domestic credit union elects, a single account jointly owned by 2 or more individuals may serve as the basis for membership of any of those individual owners who are otherwise eligible for membership if the account contains at least 1 share for each of them.
- (5) If an individual was a member of the domestic credit union at the time of his or her death, a domestic credit union may accept the estate of the individual as a member.

Minnesota

52.05 MEMBERSHIP

Subdivision 1. Requirements

Credit union membership consists of the incorporators and other persons as may be elected to membership and subscribe to at least one share as designated by the board of directors, pay the initial installment thereon and the entrance fee if any. In addition to a regularly qualified member, the spouse of a member, the blood or adoptive relatives of either of them and their spouses may be members. When an individual member of a credit union leaves the field of

membership, the member, and all persons who became members by virtue of that individual's membership may continue as members. The surviving spouse of a regularly qualified member, and the blood or adoptive relatives of either of them and their spouses may become members. Organizations, incorporated or otherwise, composed for the most part of the same general group as the credit union membership may be members. Credit unions chartered by this or any other state, or any federal credit union may be members. Credit union organizations shall be limited to persons within one or more groups or any combination of groups having a common bond of occupation, association, or community.

Mississippi

SEC. 81-13-13. Membership

Membership shall consist of the incorporators and such natural persons as have been duly elected to membership and have paid the entrance fee as required by the bylaws, and have complied with such other requirements as the certificate of organization may contain, and successors-in-law to accounts of deceased members subject to individual approval by the board of directors. One entrance fee will be required for each account regardless of the number of joint owners. Other organizations (whether incorporated or not) composed primarily of the same individuals who are eligible to join the credit union are also eligible for membership. Credit unions shall be organized within groups which have a common bond of occupation, association, or residence; provided that one (1) corporate central credit union sponsored by the Mississippi Credit Union League may accept as members the credit unions that are members of the Mississippi Credit Union League and shall include in its title the words "corporate central"; and provided further that one (1) credit union sponsored by the Mississippi Credit Union League may accept as members the members of credit unions holding membership in the Mississippi Credit Union League, the members of their immediate families, the employees of the Mississippi Credit Union League and the members of their immediate families, organizations or associations of such persons, and other persons residing in this state who do not have the services of a credit union available to them, such credit union to be known as the Mississippi League Central Credit Union, subject to such limitations on membership as may be from time to time adopted by the board of directors in the minutes of the central credit union.

Missouri

370.080. Membership of credit union, membership shares not to be pledged as security for loans

1. The membership shall consist of the organizers and such persons, societies, associations, copartnerships and corporations as have been duly elected to membership and have subscribed to one or more general shares, or one membership share and/or membership fee when required, and have paid for the same in the whole or in part, with the entrance fee as required by the bylaws, and have complied with such other requirements as the certificate of organization may contain.

2. A credit union shall be composed of one or more groups of persons. The members of each such individual group must share:
 - (1) A common occupation, association, employer or;
 - (2) A geographic area which may include all those persons who reside or work in a city not within a county or a county, in which the main office of the credit union is located as reported on the National Credit Union Administration (NCUA) 2006 year-end 5300 call report, and counties contiguous to such areas as may be approved by the director. The director shall not allow a geographic area credit union to expand beyond counties contiguous to a city not within a county or a county in which its main office is located. The director shall not allow a credit union to expand its geographic area due to a relocation of the credit union's main office.
3. No individual shall be eligible for membership in a credit union on the basis of the relationship of such individual to another person who is eligible for membership in such credit union unless the individual is a member of the immediate family or household, as such terms are defined by the commission, of such person. Except as provided in section 370.340, once a person becomes a member of a credit union in accordance with this chapter, such person or organization may remain a member of such credit union until the person or organization chooses to withdraw from the membership of the credit union.
4. Each credit union may, at the option of the board, create one or more classes of shares which shall be known as "membership share" representing the member's ownership interest in the credit union on such terms and conditions as the board of directors may determine, not inconsistent with the bylaws, provided that each membership share shall have a par value of not less than twenty-five nor more than one hundred dollars. A membership share shall not be pledged as security on any loan.
5. Notwithstanding any other provisions of this chapter to the contrary, in the event of liquidation of the assets of the credit union, the membership share shall be at risk, uninsured, and shall be subordinated to the claims of all nonmembers and participate in the assets of the credit union after all creditors and holders of all other shares, and the National Credit Union Administration.

Montana

32-3-304. Membership defined

- (1) The membership of a credit union shall be limited to and consist of the subscribers to the articles of incorporation and such other persons within the common bond set forth in the bylaws as have been duly admitted members, have paid the required entrance fee or membership fee, or both, have subscribed for one or more shares and have paid the initial installment thereon, and have complied with such other requirements as the articles of incorporation or bylaws specify.
- (2) Credit union membership may include groups having a common bond of similar occupation, association, or interests or groups within a well-defined neighborhood, community, or rural district or employees of a common employer and members of the immediate family of such persons.

32-3-305. Societies -- associations

(1) Societies and partnerships composed primarily of individuals who are eligible for membership and corporations whose stockholders are composed primarily of such individuals may be admitted to membership in the same manner and under the same conditions as individuals.

(2) No loan may be made to any member society, partnership, or corporation in an aggregate amount that is in excess of 5% of the credit union's shares and retained earnings. Total loans to member societies, partnerships, and corporations is limited to an aggregate amount of 15% of the credit union's shares and retained earnings.

32-3-306. Other credit unions

Any credit union organized under this chapter may permit membership of any other credit union organized under this chapter or other laws.

Nebraska

21-1743. Membership; requirements

(1) The membership of a credit union shall consist of the subscribers to the articles of association and such persons, societies, associations, partnerships, and corporations as have been duly elected, members who have subscribed for one or more shares, have paid for such share or shares in whole or in part, have paid the entrance fee provided in the bylaws, and have complied with such other requirements as the articles of association and bylaws may specify. For purposes of obtaining a loan and to vote at membership meetings, a member, to be in good standing, must own at least one fully paid share. Credit union organization shall be limited to groups of both large and small membership having a common bond of occupation or association, including religious, social, or educational groups, employees of a common employer, or members of a fraternal, religious, labor, farm, or educational organization and the members of the immediate families of such persons.

(2) A person having been duly admitted to membership, having complied with the Credit Union Act, the articles of association, and the bylaws, having paid the entrance fee, and having paid for at least one share, shall retain full rights and privileges of membership for life unless that membership is terminated by withdrawal or expulsion in the manner provided by the act.

Nevada

NRS 678.510 Eligibility for membership

1. The membership of a particular credit union shall be limited to the subscribers to the articles of incorporation and such other persons who have:

- (a) The common bond set forth in the bylaws;
- (b) Paid the entrance fee provided in the bylaws;
- (c) Subscribed for one or more shares and have paid the initial installment thereon; and

(d) Complied with other requirements specified in the articles of incorporation or bylaws.

2. The common bond required for membership in credit unions organized under the provisions of this chapter may include, but are not limited to persons who:

(a) Have a similar occupation, association or interest;

(b) Reside within an identifiable neighborhood, community or rural district; or

(c) Are employed by the same employer,

and members of the immediate families of such persons.

3. Any member of a credit union who loses the bond that is characteristic of all other members may be permitted to retain his or her membership in the credit union at the discretion of the board of directors.

New Hampshire

Bylaws, Section 394-B:5 Contents

The bylaws shall prescribe the name of the corporation, the purposes for which it was formed, the conditions of residence or occupation which qualify persons for membership, the par value of the paid-in shares, the number of directors, the number of members of the supervisory committee, and the number of members of the credit committee, if such committee is to be established, the duties of the several officers, the fines, if any, which shall be charged for failure to meet obligations to the corporation punctually, the date of the annual meeting of members, the manner in which members shall be notified of meetings, the number of members which shall constitute a quorum at meetings and such other regulations as may seem necessary.

New Jersey

17:13-92 Membership of credit union; regulations

14. a. The membership of a credit union shall be limited to and consist of the incorporators and other persons that are members of any group, combination of groups, organization, combination of organizations or natural persons specified in the certificate of incorporation, or any group, combination of groups, organization, combination of organizations or natural person that has been added to the membership by amendment to the credit union's bylaws, who have paid any required entrance fee or membership fee, or both, have subscribed to one or more shares, have paid the initial installment thereon, and have complied with any other requirements as the certificate of incorporation or bylaws specify.

b. Except as otherwise provided in this section, credit union membership shall be limited to the types of membership described in one of the following categories :

(1) one group which has a common bond of occupation or association; or

(2) more than one group with each group having within that group a common bond of occupation or association and a membership of less than 3,000 members at the time that group is first included within the field of membership of a credit union made up of more than one

group; or

(3) persons or organizations, or any combination of organizations within a well-defined neighborhood, local community or rural district; or

(4) any combination of membership fields from paragraphs (1), (2) and (3) of this subsection b., provided, however, that the combining of membership fields pursuant to this paragraph shall only be used with respect to an existing credit union and only if, in the determination of the commissioner, it is found that the combination is necessary to maintain the safety and soundness of that existing credit union and, with respect to any group eligible to be part of a credit union pursuant to paragraph (2) or organization eligible to be part of a credit union pursuant to paragraph (3) of this subsection which is to be combined, the membership of that group or organization shall be subject to the same limitation on the number of members as provided for groups under paragraph (2) of this subsection; and

(5) members of the immediate family of persons in a credit union or in any group or organization which makes up the membership of a credit union.

c. Societies and copartnerships composed primarily of persons who are eligible for membership, and corporations, including cooperative organizations, whose stockholders are composed primarily of persons who are eligible for individual membership, may be admitted to membership. Any entity thus admitted to membership shall not borrow in excess of its shareholdings unless at least 10% of its members are qualified members of the credit union.

d. Members who leave the field of membership may be permitted to retain their memberships in the credit union under reasonable standards established by the board.

e. Members of the credit union shall not be personally or individually liable for the payment of the credit union's debts.

f. (1) The commissioner may, by regulation, provide that a credit union may add to its field of membership any natural person who resides in a primary metropolitan statistical area in which the credit union is located and meets at least one of the following criteria:

(a) is a person of low income as defined pursuant to 42 U.S.C. s.5302(a)(20)(A);

(b) resides in a low median income census tract as defined by the commissioner pursuant to 12 C.F.R. s.228.12; or

(c) has been or is the recipient of State or federally funded public assistance.

(2) The commissioner may require that a natural person meet more than one of the criteria established under paragraph (1) of this subsection f.;

(3) If a natural person who is a member of a credit union has immediate family members living in the same primary metropolitan statistical area as that natural person, a credit union may also add any member of that immediate family to its field of membership;

(4) A credit union may establish areas within a primary metropolitan statistical area for purposes of paragraphs (1) and (3) of this subsection f.

g. (1) For a credit union whose field of membership is described under paragraph (2) of subsection b. of this section, the requirement that a group have a membership of less than 3,000 members shall not apply if the commissioner determines, in writing and in accordance with the guidelines and regulations issued pursuant to paragraph (2) of this subsection, that the group could not feasibly or reasonably establish a new single common-bond credit union pursuant to paragraph (1) of subsection b. of this section, because:

(a) the group lacks sufficient volunteer and other resources to support the efficient and effective operation of a single common-bond credit union;

(b) the group does not meet the criteria that the commissioner has determined to be important for the likelihood of success in establishing and managing a new single common-bond credit union, including the demographic characteristics such as geographical location of members, diversity of ages and income levels, and other factors that may affect the financial viability and stability of a single common-bond credit union; or

(c) the group would be unlikely to operate a safe and sound single common-bond credit union.

(2) The commissioner shall promulgate regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), setting forth the criteria that the commissioner shall apply in determining whether a credit union may be established as provided pursuant to paragraph (2) of subsection b. of this section, which regulations shall be directed at assuring substantial parity between the field of membership standards and requirements of State and federal credit unions.

New Mexico

58-11-21. Membership

A. The membership of a credit union shall consist of those persons who share a common bond set forth in the bylaws, have been duly admitted members, have paid any required one-time or periodic membership fee, or both, have paid for in cash or its equivalent one or more shares and have complied with such other requirements as the articles of organization and the bylaws specify.

B. Credit union membership may include persons within one or more groups having a common bond of similar occupation, association or interest, or persons who reside or belong to one or more groups that are based within an identifiable neighborhood, community or rural district, or employees of a common employer, or persons employed within a defined business district, industrial park or shopping center and members of the immediate family of such persons.

C. Organizations in which majority ownership or control is vested in persons eligible for membership in a credit union, may be admitted to membership in that credit union. Also, organizations one of whose principal functions is to provide services to persons who are eligible for membership in the credit union may be admitted to membership. Other organizations having a commonality [commonality] of interest with the credit union may be admitted to membership with the approval of the director.

New York

Banking, Article XI § 451

2. The qualifications for membership.

(a) Membership shall be limited to:

(1) persons having a common employer;

(2) persons and organizations who are members of the same trade, industry, profession, club, union, society or other association;

(3) in the case of a credit union incorporated under this chapter as of the effective date of this subdivision, and with the approval of the superintendent, which approval shall not be given if it would be destructive of competition within a municipality, more than one common employer; provided, however, that an employer group with under three thousand employees may be added upon receipt of a notice as provided in subdivision two of section four hundred seventy-eight of this article;

(4) with the approval of the superintendent, and subject to the provisions of paragraph (b) of this subdivision, more than one group each of which has, within the group, a common bond of occupation, including a common employer, or association; provided, however, that a group of less than three thousand members, which is within reasonable proximity to the credit union's service area or areas, may be added upon receipt of a notice as provided in subdivision two of section four hundred seventy-eight of this article; or

(5) persons and organizations within a well-defined local community, neighborhood or rural district and who in the judgment of the superintendent have such a community of interest as will insure proper administration.

(b) In considering an application to add a group to a credit union authorized under subparagraph four of paragraph (a) of this subdivision, the superintendent shall not approve the addition unless the group is within reasonable proximity to the credit union's service area or areas. If the group has more than three thousand members, the superintendent shall not approve such addition unless he or she determines that the group could not feasibly or reasonably establish a new single common bond credit union because:

(1) the group lacks sufficient volunteer and other resources to support the efficient and effective operation of a credit union;

(2) the group does not meet the criteria which the superintendent has determined to be important for the likelihood of success in establishing and managing a new credit union, including demographic characteristics such as geographical location of members, diversity of ages and income levels, and other factors that may affect the financial viability and stability of a credit union;

(3) the group would be unlikely to operate a safe and sound credit union; or

(4) the group has been transferred from another credit union in connection with a merger or consolidation recommended by a state or federal regulator based on safety and soundness concerns or by the board of the National Credit Union Administration in its capacity as conservator or liquidating agent.

(c) With the approval of the superintendent, a credit union may extend membership to persons and organizations in an underserved local community, neighborhood or rural district, where such area is determined by the superintendent to be an "investment area" as defined in the federal Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4703(16)) and any other requirements imposed by the superintendent, including a requirement that the credit union establish and maintain an office or facility in such area.

(d) To the extent not expressly prohibited by the bylaws of the credit union:

(1) in each instance where a person is a member or is directly eligible for membership, members of his or her immediate family or household shall be eligible for membership. For the purposes of this subparagraph, "immediate family" means a person's spouse, and their lineal ancestors and descendants, including persons so related by adoption, siblings, stepparents, stepchildren, and stepsiblings; and "household" means persons living in the same residence and maintaining a single economic unit;

(2) any employee of the credit union shall be eligible to membership; and

(3) any member who leaves the field of membership and who has not withdrawn or been expelled may retain membership.

(e) To the extent not expressly prohibited by the bylaws of the credit union, any incorporated or unincorporated organization composed principally of persons eligible to membership in the credit union and the organization's employees shall be eligible to membership in the credit union.

(f) Any person who is eligible for membership by reason of the fact that he or she is an employee either of a common employer or of a credit union shall not become ineligible, after the termination of such employment, as long as he or she receives a pension or annuity from, or under, a plan or other arrangement established by such common employer or credit union.

(g) The provisions of this subdivision shall not apply to a corporate credit union.

North Carolina

§ 54-109.26. "Membership" defined

(a) The membership of a credit union shall be limited to and consist of the subscribers to the articles of incorporation and such other persons within the common bond set forth in the bylaws as have been duly admitted members, have paid any required entrance fee or membership fee, or both, have subscribed for one or more shares, and have paid the initial installment thereon, and have complied with such other requirements as the articles of incorporation or bylaws specify.

(b) Credit union membership may include groups having a common bond of similar occupation, association or interest, or groups who reside within an identifiable neighborhood, community, or rural district, or employees of a common employer, and members of the immediate family of such persons.

§ 54-109.27. Societies and other associations

Societies, and copartnerships composed primarily of individuals who are eligible to membership, and corporations whose stockholders are composed primarily of such individuals, may be admitted to membership in the same manner and under the same conditions as individuals, but may not borrow in excess of their shareholdings. Provided, however, secured loans in excess of shareholdings may be made to nonprofit societies, copartnerships, and corporations who are members.

North Dakota

6-06-07. Membership in credit union

1. The membership of a credit union consists of the incorporators and such other persons as may be elected to membership. Each member shall subscribe to and pay the initial installment on at least one share in the credit union and pay the entrance fee as provided by the bylaws of the credit union. Organizations, incorporated or otherwise, composed principally of the same general group as the credit union membership may be members of the credit union.

2. Credit union membership is limited to groups having a common bond of occupation or association or to groups residing within a geographic area that does not extend beyond a seventy-five-mile [120.70-kilometer] radius of the home office of the credit union. Except as provided by this section, an office of a credit union that has a field of membership defined by geography may not be located more than seventy-five miles [120.70 kilometers] from the credit union main office. The restrictions on location and field of membership under this section do not apply to a credit union office location or field of membership approved by the board before January 1, 2005. In the event of a merger between credit unions with different geographic fields of membership, the surviving credit union may expand the field of membership to include the geographic field of membership of the merged credit union. After December 31, 2004, a credit union may not establish and operate a new branch office that is outside the credit union's field of membership. A branch office may not expand the geographic field of membership of a credit union.

3. The board shall adopt a procedure through which all interested persons, including banking institutions and credit unions, are afforded reasonable opportunity to submit data, views, or arguments, orally or in writing; to obtain a hearing; and to intervene as a party to a proceeding concerning a proposed application for a credit union to expand the credit union's field of membership.

Ohio

1733.05 Membership

(A) Persons otherwise qualifying for membership in a credit union under this section, the articles, and the regulations, and who are elected to membership by the board of directors, shall become members of a credit union, provided that in lieu of electing persons to membership, the board of directors may elect or appoint one or more membership officers and delegate authority to any such membership officer to accept persons into membership.

(B) No person shall become a member of a credit union who has not subscribed to or purchased at least one membership share of such credit union. Each member is responsible for maintaining a current address with the credit union.

(C) The membership of a credit union shall be limited to groups having a common bond of occupation or association or groups within a well-defined neighborhood, community, or rural district; however, except as otherwise provided in the articles or regulations, a person shall be deemed to retain affiliation with the credit union so long as he remains a member of the credit union even though no longer within the field of membership.

(D) Unless otherwise provided in the articles of incorporation or the code of regulations, and subject to such conditions as the superintendent of credit unions may establish, groups composed of persons within the field of membership of a credit union may become members of such credit union.

(1) Any credit union may, with the approval of the superintendent, pursuant to section [1733.33](#) of the Revised Code, amend its articles of incorporation and, if appropriate, its code of regulations, to permit select groups having a common bond of occupation or association or select groups within a well-defined neighborhood, community, or rural district, to become members of such credit union in accordance with rules adopted by the superintendent.

(2) Before the select group is permitted membership in a credit union, the superintendent must approve, in writing, both the select group and the credit union.

(E) With the approval of the superintendent, any select group, within a field of membership and described in division (D)(1) of this section, may disaffiliate from the credit union with which it is associated if a majority of the persons within the select group vote for disaffiliation. Any such proposed disaffiliation must be pursuant to a written plan approved by the superintendent. This plan shall be distributed to such persons in advance of the vote on the proposed

disaffiliation, which plan must have due regard for the equitable division of assets and liabilities, including share accounts and loans of the select group seeking to disaffiliate, and any other consideration required by the superintendent.

(F) Credit unions qualified to do business in this state have a common bond of association for the purpose of forming and operating a corporate credit union.

(G) No interstate charter amendment, conversion, merger, or other expansion of a credit union field of membership shall be authorized without the approval of all supervisory authorities affected, whether state or federal, in accordance with rules adopted by the superintendent in terms of administrative control and authority, the location of the surviving credit union in the case of a merger, or the home office in the case of an expansion, is controlling.

Oklahoma

§ 2007. Membership

A. Credit union membership shall consist of the incorporators, and such other persons and incorporated and unincorporated organizations and their employees, as may be elected to membership. Each member shall subscribe to at least one share of the credit unions stock and pay the entrance fee. Credit union membership shall be limited to groups having a common bond of occupation or association, which shall be limited to one of the following categories:

1. Groups that have the same common bond of occupation or association;
2. Persons or organizations within a well-defined community, neighborhood or rural district; or
3. Groups which have, as to each individual group, a common bond of occupation or association, but, as to all such groups, need not have the same common bond of occupation or association as other groups within the credit union.

Oregon

723.172 Credit union membership; rules

(1) As used in this section:

(a) "Organization" means a corporation, limited liability company, partnership or association, trust, estate or other entity and a director, officer, employee, member, partner, personal representative, trustee or volunteer of the corporation, limited liability company, partnership or association, trust, estate or other entity.

(b) "Well-defined local community, neighborhood or rural district" means one or more adjacent precincts, districts, cities, counties or other boundaries defined by the state or a unit of local government or by a state or local government agency.

(2) The membership of a credit union is limited to and consists of the incorporators to the articles of incorporation and other persons within the common bond set forth in the bylaws that have been duly admitted as members, have paid the required entrance fee or membership fee, or both, have subscribed for one or more shares and have paid the initial installment on

the shares, and have complied with such other requirements as the articles of incorporation or bylaws specify.

(3) Credit union membership may include:

(a) One or more groups, each having a common bond of occupation or association; or

(b) Persons who live or work in, or organizations located within, a well-defined local community, neighborhood or rural district.

(4) Credit union membership may also include any of the immediate family of a person who is eligible for membership in the credit union under subsection (3) of this section.

(5) In determining whether adjacent precincts, districts, cities, counties or other boundaries defined by the state or a unit of local government or by any state or local government agency form a well-defined local community, neighborhood or rural district, the Director of the Department of Consumer and Business Services shall consider:

(a) Interactions or shared interests that tie the precincts, districts, cities, counties or other boundaries together;

(b) The size of the population of the proposed well-defined local community, neighborhood or rural district;

(c) The size of the geographic area of the proposed well-defined local community, neighborhood or rural district; and

(d) Other criteria that the director considers relevant in accordance with the purposes of this chapter.

(6)(a) A credit union may not add a group with a separate bond of occupation or association to the credit union's membership unless, at the time the group is added to the credit union's membership, the group does not contain more than 3,000 members.

(b) The limitation in paragraph (a) of this subsection does not apply to:

(A) A group the director determines could not feasibly or reasonably establish a new credit union because the group lacks volunteer resources, financial resources or other factors the director considers important to the likelihood of the successful formation of a new credit union; or

(B) A group transferred to the credit union in connection with a merger, consolidation or transfer approved by the director, or in connection with the liquidation of another credit union.

(7) Notwithstanding subsection (3) of this section, a credit union, the membership of which includes one or more groups that have a common bond of occupation or association, may add to the credit union's membership persons who live or work in, or organizations located within, a well-defined local community, neighborhood or rural district if:

(a) The director determines that the well-defined local community, neighborhood or rural district is underserved by other depository institutions, as defined in section 19(b)(1)(A) of the Federal Reserve Act, 12 U.S.C. 461(b)(1)(A), based on data of the National Credit Union Administration and the federal banking agencies, as defined in section 3 of the Federal Deposit Insurance Act, 12 U.S.C. 1813; and

(b) The credit union establishes and maintains an office or facility in the well-defined local community, neighborhood or rural district at which credit union services are available.

(8) In reviewing a proposed amendment to a credit union's bylaws that would include an additional group within the credit union's membership, the director shall consider:

(a) Whether, within the preceding year, the credit union has engaged in any unsafe or unsound practice that is material;

(b) Whether the credit union has the capitalization, administrative capability and financial resources to serve the additional group; and

(c) Other factors the director may prescribe by rule.

Pennsylvania

§ 701. Membership

(a) General rule.--Credit union organizations shall be limited to groups having a potential membership of 500 or more adult persons and having a common bond of association within a well-defined community or rural district by reason of occupation or of membership in a religious congregation or fraternal or labor organization or residence within a well-defined community or rural district. A credit union may also retain its original field of membership and, additionally, include in its field of membership other occupational groups, as well as like associational groups having a common bond with the original field of membership, with insufficient number of members to form or conduct the affairs of a separate credit union, if the existing credit union obtains prior permission from the department. The membership of a credit union shall be limited to and consist of the incorporators of the credit union and such other persons, having the common bond of association, set forth in the articles of incorporation, as have been duly admitted members, have paid the entrance fee as provided in the bylaws and own and retain one or more shares. Organizations composed principally of the same group as the credit union membership may be members. Employees of credit unions may be members of such credit unions.

(b) Family members.--Persons who are members of the immediate family of a member of the credit union may be elected to membership.

(c) Trust and joint tenancy deposits.--Shares may be issued in trust for or in joint tenancy with the right of survivorship with any person designated by the credit union member, but no joint tenant or beneficiary of a trust shall be permitted to vote, obtain a loan or hold office unless he is within the field of membership and is a qualified member in his own right.

(d) Continuation of membership.--Any member who leaves or has left the field of membership and has not withdrawn all of his share account shall not cease to be a member of the credit union by reason thereof, and he shall have all of the rights and obligations of membership, including, but not limited to, the right to retain and to add to his share account and the right to vote. Upon leaving the field of membership, the provisions of this subsection shall apply to persons who have become members of the credit union solely by reason of the provisions of subsection (b), but the provisions of subsection (c) shall not be affected by this subsection.

(e) Spouse of deceased member.--The unremarried widow or widower of a deceased member may become a member of the credit union.

(f) Effect of certain association formations.—Any association formed primarily to obtain a State credit union charter shall not be considered by the department to have a sufficient common bond.

Rhode Island

§ 19-5-3 Membership of credit unions

After organization of any credit union has been completed, nothing in this chapter shall be construed to debar from membership any fraternal organization, voluntary association, partnership, or corporation.

South Carolina

SECTION 34-26-500. Requirements of membership; eligible groups; requirement of board approval

(1) The membership of a credit union may consist of groups having different common bonds, having been duly admitted as members, having paid any required one-time or periodic membership fee, or both, having subscribed to one or more shares, and having complied with such other requirements as the articles of incorporation and bylaws specify.

(2) Credit union membership may also consist of groups having different common bonds of occupation or association or persons employed within a defined business district, building, industrial park or shopping center, and members of the family of such persons who are related by either blood or marriage.

(3) A credit union may add additional groups not to exceed two hundred fifty potential members to its field of membership, as necessary, provided the groups reasonably are served by one of the credit union's service facilities, and the group has provided a written request for service to the credit union. However, the Board of Financial Institutions may revoke the power of a credit union to add groups provided by this section upon a finding that permitting additions pursuant to the provisions of this section are not in the best interest of the credit union. The adding of these groups must be consistent with the following:

(a) In order to add additional groups, a credit union first shall obtain a letter on the group's letterhead, if possible, signed by an official representative identified by title, requesting credit union service. The groups shall indicate the number of potential members seeking service. This document must be maintained by the credit union permanently with its bylaws.

(b) A credit union adding groups shall maintain a log of these groups. The log must include the following: the date the group obtained service, the name and location of the group, the number of potential members added, the number of miles to the nearest main or branch office, and the date of the approval of the group by the board of directors.

(c) Upon complying with the above procedures, board approval is not necessary to add groups with no more than two hundred fifty potential members to a credit union's field of membership. Approval of the Board of Financial Institutions must be obtained before the addition of groups in excess of two hundred fifty.

SECTION 34-26-510. Organizations eligible for credit union membership

Organizations comprised entirely of individuals who are eligible for membership in the credit union may be admitted to membership. Likewise, organizations, one of whose principal functions is to provide services to persons who are eligible for membership in the credit union, may be admitted to membership. Other organizations having a commonality of interest with the credit union may be admitted to membership with the approval of the commissioner.

SECTION 34-26-520. Eligibility of other credit unions

Any credit union organized under this chapter may accept as a member any other credit union organized under this or any other provision of law.

Tennessee

45-4-301. Membership -- Qualifications -- Entrance fee

(a) The membership shall consist of incorporators and persons, societies, associations, copartnerships and corporations that have been duly elected to membership and have subscribed to one (1) or more shares and have paid for the same in whole or in part, with the entrance fee as required by the bylaws, and have complied with other requirements that the certificate of organization may contain; except that a credit union shall be limited to groups having a common bond of occupation or association or to groups within a well-defined neighborhood, community, or rural district.

(b) A credit union may charge an entrance fee as may be provided in the bylaws.

Texas

Sec. 122.051. MEMBERSHIP

(a) A person may be a member of a credit union only if the person is an incorporator or other person who:

- (1) shares a definable community of interest, in accordance with the credit union's articles of incorporation or bylaws, including a community of interest based on occupation, association, or residence;
- (2) has paid an entrance fee or membership fee, or both, as required by the bylaws;
- (3) has complied with the minimum share, including membership share, requirements or other qualifying account requirements established by the board; and

- (4) has complied with any other requirement of the articles of incorporation and bylaws.
- (b) The state acting through the comptroller as administrator of the state's deferred compensation program or a political subdivision acting through an appropriate officer as administrator of the political subdivision's deferred compensation program may be a member of a credit union for purposes of funding a deferred compensation program. The state or a political subdivision funding a deferred compensation program is not required to pay an entrance fee.
- (c) A member who leaves the field of membership may retain membership in the credit union under reasonable board standards.
- (d) In this subsection, "good cause" includes the act of physically or verbally abusing a credit union member or employee. A person's membership in a credit union may be terminated or suspended for good cause or for not maintaining membership requirements, under the conditions and in accordance with the procedures provided in the bylaws. A credit union may also discontinue providing any or all services to a member for good cause without terminating or suspending the person's membership. Termination or suspension of a person's membership in the credit union or discontinuing services does not relieve the person from any outstanding obligations owed to the credit union.
- (e) Two or more persons within the credit union's field of membership who have jointly subscribed for one or more share or deposit accounts under a joint account and who have complied with all membership requirements may each be admitted to membership.
- (f) A credit union authorized to engage in business under this subtitle may accept as a member any other credit union organized or chartered under the laws of this or another state or of the United States. Those credit union members are not entitled to any voting privileges.

Utah

7-9-16. Members -- Eligibility -- Liability -- Grounds for closing account -- Denial of membership

- (1) A person within the field of membership of a credit union may be admitted to membership, upon:
 - (a) payment of any required entrance or membership fee;
 - (b) payment for one or more shares; and
 - (c) compliance with this chapter and the bylaws of the credit union.
- (2) A member who is eligible for membership in a credit union at the time the member is admitted as a member but who is no longer in the field of membership of the credit union may retain membership in the credit union unless otherwise provided in the bylaws of the credit union.
- (3) A member of the credit union may not be held personally or individually liable for payment of the credit union's debts.
- (4) The credit union may close the account of any member whose actions have resulted in any financial loss to the credit union.
- (5) Denial of membership is not considered a denial of credit.

7-9-51. Field of membership

(1) Except as provided in Subsection (3) or (5), the field of membership of a credit union may include only the following:

- (a) the immediate family of a member of the credit union;
- (b) the employees of the credit union;
- (c) residents of a single county;
- (d) one or more associations; and

(e) residents of a city of the third, fourth, or fifth class or a town as classified in Section 10-2-301 if:

(i) the city or town is located in a county of the fourth through sixth class as classified in Section 17-50-501;

(ii) at the time the residents of the city or town are included in the field of membership of a credit union, the credit union has not become a nonexempt credit union under Section 7-9-55; and

(iii) approved by the commissioner in accordance with Subsection 7-9-52(6).

(2) A credit union may have a field of membership that is more restrictive than the field of membership described in Subsection (1).

(3) A credit union may have a field of membership that is less restrictive than the field of membership described in Subsection (1) if the field of membership of the credit union:

- (a) is determined under Subsection 7-9-53(2)(c) or (2)(d);
- (b) is approved by the commissioner after a merger under Subsection 7-9-39(5); or
- (c) is permitted by the commissioner after a merger in accordance with Section 7-9-39.5.

(4) If a credit union includes the residents of one county in its field of membership, the credit union may not change its field of membership to include a different county than the county that is first included in the field of membership of the credit union.

(5) Notwithstanding the other provisions of this section or any restrictions of Section 7-9-53, a credit union may have a field of membership that is less restrictive than the field of membership described in Subsection (1), under the following conditions:

(a) the field of membership of the credit union may include no more than all the residents of two counties in addition to any association included in the field of membership of the credit union; and

(b) both counties described in Subsection (5)(a) must be a county of the third through sixth class, as classified in Section 17-50-501.

Vermont

§ 31201. Bylaws; amendment of bylaws

(a) The organizers applying for the organization of a credit union shall adopt bylaws that prescribe the manner in which the business of the credit union shall be conducted. The bylaws shall include at least the following:

(1) the name of the credit union, which name shall comply with the requirements of section 31202 of this title;

(2) the field of membership of the credit union and the qualifications for membership;

§ 31401. Field of membership

(a)(1) Except as provided in subdivision (2) of this subsection, the field of membership of a credit union is limited to:

(A) a single common bond membership;

(B) a multiple common bond membership;

(C) persons or organizations within one or more well-defined communities, neighborhoods, municipalities, or counties; or

(D) any combination of subdivisions (A), (B), or (C).

(2) Within the field of membership of a credit union, members may include:

(A) members of the immediate family or household of all members of the credit union included under subdivisions (1)(A), (B), (C), or (D) of this subsection;

(B) organizers and employees of such credit union;

(C) the surviving spouse or party to a civil union of a deceased member of such credit union; and

(D) notwithstanding any change in employment, occupation, residence, or other condition initially controlling the eligibility for membership in any credit union, any person properly admitted to membership in a credit union who may continue membership therein during such person's lifetime.

(3) The field of membership may include associations and organizations of individuals, the majority of whom are eligible for membership in such credit union, partnerships in which the majority of the partners are individuals who are eligible for membership in such credit union, corporations in which the majority of shareholders are individuals who are eligible for membership in such credit union, and such entities in which a majority of the employees are individuals who are eligible for membership in such credit union.

(b)(1) The commissioner may approve an amendment to the bylaws of a credit union to expand its field of membership if the commissioner finds that:

(A) the credit union has not engaged in any material unsafe or unsound practice during the one-year period preceding the date on which the proposed amendment is filed with the commissioner;

(B) the credit union maintains its net worth in accordance with subchapter 5 of this chapter; and

(C) the credit union has the administrative capability to serve the proposed membership group and the financial resources to meet the need for additional staff and assets to serve the new membership group.

(2) The commissioner may approve an amendment to the bylaws of a credit union to change its field of membership whenever the commissioner determines that continued operation of the credit union without the proposed amendment may result in liquidation or merger of such credit union.

Virginia

§ 6.2-1327. Membership defined; field of membership

A. The membership of a credit union shall consist of the incorporators, employees of such credit union, and other persons within the field of membership set forth in the bylaws as have: (i) been fully admitted into membership, (ii) paid any required entrance fee or annual membership fee, or both, (iii) subscribed for one or more shares, (iv) paid the initial installment thereon, and (v) complied with such other requirements as the articles of incorporation or bylaws specify.

B. Credit union membership shall be limited to persons within a specified field of membership, individuals within the immediate family or household of such persons, associations of such persons, other credit unions, and employees of the credit union. The field of membership specified shall be composed of one of the following:

1. A single group having a common bond of occupation or association;
2. More than one group, each of which has a common bond of occupation or association, and each of which does not exceed 3,000 members at the time it is proposed to be included in a multiple common-bond credit union. The 3,000-member limitation shall not apply if the Commission determines that an exception on the grounds provided in subsection (d) (2) or (d) (3) of § 101 of the Credit Union Membership Access Act (12 U.S.C. § 1759) is appropriate. In making any determination under this provision, the Commission shall give consideration to the National Credit Union Administration guidelines; or
3. Those persons or organizations within a well-defined local community, neighborhood or rural district.

The Commission shall in its discretion determine whether a proposed field of membership constitutes a "well-defined local community, neighborhood or rural district." In making such determination, the Commission shall give consideration to the definition of the term that has been adopted by the National Credit Union Administration and has become legally effective.

C. Except as the board of directors may provide to the contrary in the bylaws with respect to termination of membership, once a person or entity becomes a member of a credit union in accordance with this chapter, that person or entity may remain a member of that credit union until the person or entity chooses to withdraw from the credit union.

D. The board of directors may expel from the credit union any member who: (i) has not carried out his obligations to the credit union; (ii) has been convicted of a criminal offense; (iii) neglects or refuses to comply with the provisions of this chapter or of the bylaws; (iv) neglects to pay his debts, or otherwise causes financial loss to the credit union; or (v) has deceived the credit union with regard to the use of borrowed money. No member shall be so expelled until he has been informed in writing of the charges against him, and an opportunity has been given to him, after reasonable notice, to be heard.

E. Members of the credit union shall not be personally liable for payment of the debts of the credit union.

F. The surviving spouse of a deceased credit union member shall be eligible to become a member of the credit union to which the deceased member belonged. In no other instance shall an individual be eligible for membership in a credit union on the basis of the individual's relationship to another person who is eligible for membership in the credit union, unless the

individual is a member of the immediate family or household of such person. The board of directors of a credit union may provide in the bylaws for a less inclusive policy governing membership by virtue of relationship to another person, and such policy shall be effective.

G. Societies, associations, organizations, partnerships, and corporations composed of persons who are eligible for membership may be admitted to membership in the same manner and under the same conditions as such persons.

H. Any individual or entity that was a member of a credit union as of July 1, 1999, may remain a member of the credit union after that date, and any group that was included in the field of membership of a credit union on that date may remain within the field of membership of that credit union after that date. The successor of an entity that was a member or was eligible for membership in a credit union or for inclusion in a field of membership on July 1, 1999, retains the status of its predecessor.

Washington

RCW 31.12.382

Limitation on membership

(1) Membership in a credit union shall be limited to groups having a common bond of occupation or association, or to groups within a well-defined neighborhood, community, or rural district. The director may adopt rules: (a) Reasonably defining "common bond"; and (b) setting forth standards for the approval of charters.

(2) The director may approve the inclusion within the field of membership of a credit union a group having a separate common bond if the director determines that the group is not of sufficient size or resources to support a viable credit union of its own.

RCW 31.12.384

Membership

(1) A credit union may admit to membership those persons qualified for membership as set forth in its bylaws.

(2) An organization whose membership, ownership, or employees are comprised principally of persons who are eligible for membership in the credit union may become a member of the credit union.

West Virginia

§31C-4-1. Membership defined

(a) The membership of a credit union shall consist of those persons who share a common bond set forth in the bylaws, have been duly admitted members, have paid any required one-time or periodic membership fee, or both, have subscribed to one or more shares and have complied with such other requirements as the articles of incorporation and bylaws specify.

(b) Credit union membership shall be limited to, persons within one or more groups having a common bond or bonds of similar occupation, employer, association or interest, and members of the immediate family of such persons.

§31C-4-2. Organizations

(a) Organizations comprised primarily of individuals who are eligible for membership in the credit union, and corporations whose total number of stockholders or whose majority stockholders are comprised primarily of such individuals, may be admitted to membership in the same manner and under the same conditions as individuals. Likewise, organizations one of whose principal functions is to provide services to persons who are eligible for membership in the credit union may be admitted to membership. Other organizations having a commonality of interest with the credit union may be admitted to membership with the approval of the commissioner.

(b) Any corporate credit union organized under this chapter may accept as a member any other credit union organized under this or any other act.

Wisconsin

186.02 Incorporation, bylaws, amendment, fees

(2) Bylaws.

(a) The bylaws shall prescribe all of the following:

1. The conditions that determine eligibility for membership.

(d)

1. An organization or association of individuals, the majority of the directors, owners, or members of which are eligible for membership, may be admitted to membership in the same manner and under the same conditions as individuals.

2. An organization or association that has a business location within any geographic limits of the credit union's field of membership may be admitted to membership.

Chapter 2

Service to Low Income Consumers

2011 Model Credit Union Act:

Section 4.15. Service to Low Income Consumers.

(1) A credit union, including a credit union in the process of incorporating under this title, may submit an application to the commissioner to be designated as a “low-income credit union”.

(2) The commissioner may approve the application if at least 50 percent of a well-defined segment of members to be served are a) within a recognizable geographic area primarily located in a low income area or b) qualified to receive benefits from any program designed to revitalize the local economy or assist the economically disadvantaged.

(3) For purposes of this section, natural persons enrolled as full-time or part-time students in a college, university, high school, or vocational school shall be conclusively presumed to satisfy the provisions of subsection (2).

(4) The application specified in subdivision (1) shall be developed by regulations of the commissioner.

(5) The commissioner shall approve or deny an application to be designated as a low-income credit union within 60 days of receiving a completed application.

(6) If the credit union does not already have a service facility established in the low-income community, the credit union shall, within 12 months of designation as a low-income credit union, establish such a branch, provided that the establishment of this branch does not compromise the safety and soundness of the institution.

(7) In addition to the powers granted under this title, a low-income credit union shall also be permitted to do the following:

(a) Receive funds from non-members.

ALTERNATIVE (if public deposits are not permissible for all state-chartered credit unions under this Act)

(b) Act as fiscal agent for and receive payments on shares and deposits from the federal government or this state, and any agency or political subdivision thereof.

(c) Receive secondary capital from members and non-members. The offer and sale of secondary capital shall be subject to regulations promulgated by the commissioner that shall address issues of safety and soundness, including the secondary capital's maturity, term of sale, terms of capital, total amount of secondary capital that may be outstanding at one time, redemption, and eligibility of the investors. In addition, secondary capital shall be subject to all of the following:

- (i) The secondary capital shall be established as an uninsured secondary capital or other form of non-share account.
- (ii) The secondary capital may not be insured by the National Credit Union Share Insurance Fund (NCUSIF) or any other governmental or private entity.
- (iii) The secondary capital holder's claim against the credit union shall be subordinate to all other claims including those of shareholder's creditors, and the NCUSIF, or an approved insurer.
- (iv) The secondary capital may not be pledged or provided by the accountholder as a security on a loan or other obligation with the credit union or any other party.

(d) Receive property tax credits.

(8) Secondary capital authorized in this section does not limit the authority of the commissioner to approve other forms of equity capital.

ALTERNATIVE # 2

Section 4.15. Service to the Economically Disadvantaged.

(1) Persons who reside, work, worship, or attend school in a low income area, and organizations located in a low income area, may be admitted to membership in credit unions able to serve the areas by maintaining a "service facility" in the area, subject to such rules as the commissioner may promulgate hereunder.

(2) Any credit union that is serving a low income area through a service facility may invoke any of the powers and authorities of another financial institution doing business in the state.

**Comparative Digest of Credit Union Acts*: Membership
Provisions from State Credit Union Acts**

Service to Low Income Consumers

*There are 47 state credit union acts. Delaware, South Dakota and Wyoming do not have a state credit union act.

Alabama

Silent

Alaska

Silent

Arizona

Silent

Arkansas

Silent

California

Silent

Colorado

Silent

Connecticut

Silent

Florida

Silent

Georgia
Silent

Hawaii
Silent

Idaho
Silent

Illinois
(205 ILCS 305/16.1)

Sec. 16.1. Service to the economically disadvantaged

(a) Persons who reside in investment areas as defined in the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4702) and identified by the U.S. Department of the Treasury may be admitted to membership in a credit union that serves the area by maintaining a facility in the area. For purposes of this Section, a "facility" means a credit union owned branch, a shared branch, an office operated on a regularly scheduled weekly basis, or a credit union owned electronic facility that meets, at a minimum, the requirements of accepting shares for members' accounts, accepting loan applications and disbursing loans, but does not include an ATM.

(b) Credit unions desiring to serve the economically disadvantaged in accordance with this Section shall do so pursuant to a written business plan that shall document the fact that the area meets the criteria of this Section, identify the credit and depository needs of the area, identify the services to be delivered, and describe the manner in which the services will be delivered. The credit union shall regularly review the business plan to determine whether the area is being adequately served and shall provide to the Secretary periodic service status reports that describe how the needs of the area are being met.

Indiana
Silent

Iowa
Silent

Kansas

17-2231. Definitions

(g) "Low-income credit union" means a credit union with a field of membership in which more than one-half earn less than 80% of the national median household income; or the credit union may document that more than 50% of its members make less than 80% of the national average wage.

17-2204. Powers of credit unions

A credit union shall have the following powers: (o) Subject to rules and regulations adopted by the administrator, a credit union, if designated by the administrator as a low-income credit union, may accept payments to share accounts by nonmembers. Such rules and regulations shall specify the maximum level of nonmember shares, the use of such shares, the term of such accounts and other requirements to address safety and soundness issues. Nonmember account holders do not have the same rights and privileges as members.

Kentucky

Silent

Louisiana

Silent

Maine

§817. Community development credit unions

1. Designation. A credit union may apply to the superintendent in writing for designation as a community development credit union for the purposes of promoting economic revitalization and community development by providing financial services primarily to low-income individuals.

2. Shares and deposit accounts of nonmembers. A community development credit union may accept payments representing shares from nonmembers if the shares are of a type approved by the National Credit Union Administration and deposit accounts from nonmembers if the deposit accounts are of a type approved by the superintendent; however, nonmember shares and deposit accounts may not exceed the greater of \$1,500,000 or 20% of total shares without the prior approval of the superintendent.

3. Assistance from Community Development Credit Union Revolving Loan Fund. Upon prior notice to the superintendent, a community development credit union may apply for and receive assistance from the Community Development Credit Union Revolving Loan Fund

administered by the National Credit Union Administration. Assistance from the fund may take the form of:

- A. Financial assistance through equity investments, credit union shares, loans or grants; or
- B. Technical assistance directly or through grants.

4. Application of other provisions. Except as otherwise provided in this section, a community development credit union is subject to the provisions of this Title and all rules issued under this Title that are applicable to credit unions.

5. Removal of community development credit union designation. If a majority of a community development credit union's field of membership no longer meets the definition of low-income set forth in section 131, subsection 24-A, the community development credit union designation is removed. The superintendent shall notify a community development credit union when the community development credit union designation is removed.

Maryland

Silent

Massachusetts

Title XXII, Chapter 171, Section 3, Notice to commissioner; investigation fee

A notice of the intention of the subscribers to form such a credit union shall be given to the commissioner.

Notwithstanding any other provision of this chapter, a community development credit union may be organized subject to the approval of the commissioner under such procedures, terms and conditions as said commissioner may impose. A community development credit union shall demonstrate to the satisfaction of said commissioner that most of its members are of low to moderate income or it intends to primarily serve low to moderate income individuals or areas. Such a credit union may accept shares or deposits from nonmembers.

Michigan

Silent

Minnesota

Silent

Mississippi

Silent

Missouri

Silent

Montana

32-3-307. Limited-income persons

Existing credit unions may include within their field of membership limited-income persons, as defined by the department of administration, for whom credit union services are otherwise unavailable.

Nebraska

Silent

Nevada

Silent

New Hampshire

Silent

New Jersey

17:13-92. Membership of credit union; regulations

f. (1) The commissioner may, by regulation, provide that a credit union may add to its field of membership any natural person who resides in a primary metropolitan statistical area in which the credit union is located and meets at least one of the following criteria:

(a) is a person of low income as defined pursuant to 42 U.S.C. s.5302(a)(20)(A);

(b) resides in a low median income census tract as defined by the commissioner pursuant to 12 C.F.R. s.228.12; or

(c) has been or is the recipient of State or federally funded public assistance.

(2) The commissioner may require that a natural person meet more than one of the criteria established under paragraph (1) of this subsection f.;

(3) If a natural person who is a member of a credit union has immediate family members living in the same primary metropolitan statistical area as that natural person, a credit union may also add any member of that immediate family to its field of membership;

(4) A credit union may establish areas within a primary metropolitan statistical area for purposes of paragraphs (1) and (3) of this subsection f.

New Mexico

Silent

New York

§ 450-a. Designation of low income credit union

1. A credit union organized under this article may be designated as a low income credit union as defined in subdivision five of this section.
2. A credit union, including a credit union in formation, may make written application to the superintendent to be designated as a low income credit union. If the superintendent shall find, after investigation, that such credit union meets the definition of a low income credit union, as set forth in this section, he or she shall approve such designation.
3. Notwithstanding any other provision of this article, a low income credit union may issue shares, share drafts and share certificates to nonmembers who or which may be natural persons, corporations, partnerships or other legal entities.
4. Except as provided in this section, all provisions of this chapter shall be applicable to low income credit unions.
5. As used in this section, the term "low income credit union" shall mean a credit union in which a majority of the members: (a) make less than eighty percent of the average for all wage earners as established by the bureau of labor statistics of the United States department of labor or have annual household incomes that fall at or below eighty percent of the median household income for the nation as established by the United States census bureau; or (b) are residents of a public housing project who qualify for such residency because of low income; or (c) qualify to receive benefits from any program designed to assist the economically disadvantaged. The superintendent of financial services may promulgate regulations appropriate to the formation and operation of low income credit unions.
6. A credit union's designation as a low income credit union may be removed by the superintendent if he or she shall find, after investigation, that such credit union no longer meets the definition of a low income credit union as set forth in this section. Upon such a loss of designation, such credit union shall no longer be authorized to exercise the powers set forth in this section but shall remain subject to all of the other provisions of this chapter applicable to credit unions generally.

North Carolina

Silent

North Dakota

Silent

Ohio

Silent

Oklahoma

Silent

Oregon

723.134 Receipt of deposits from person not a member of credit union; secondary capital accounts; rules

(1) The Director of the Department of Consumer and Business Services by rule may establish guidelines for determining whether a credit union predominantly serves low-income members. If the director, using the guidelines established in accordance with this subsection, determines that a credit union predominantly serves low-income members, the credit union may:

(a) Receive deposits from a person that is not a member of the credit union and allow the person to hold shares in the credit union; and

(b) Issue secondary capital accounts that are subject to any terms and conditions that the Director of the Department of Consumer and Business Services may prescribe by rule.

(2) For purposes of this section, "secondary capital account" means a deposit or share account that is not insured by the National Credit Union Share Insurance Fund, or another primary share insurer approved by the Director of the Department of Consumer and Business Services, and that is subordinate to all other claims against the credit union, including claims of creditors, owners of share accounts and the National Credit Union Share Insurance Fund or another insurer approved by the Director of the Department of Consumer and Business Services. Secondary capital accounts that the credit union issues in accordance with this section are equity as defined in ORS 723.001 for the purposes of ORS 723.631 and for any other purpose.

(3) The powers set forth in this section are in addition to the powers the credit union has under ORS 723.152.

Pennsylvania

§ 103. Definitions

"Community development credit union." A credit union which is designated as a low-income credit union by the Department of Banking.

§ 501. Powers

(d) Special powers of community development credit unions.--

A community development credit union may do all of the following:

- (1) Accept payments on shares from any agency, instrumentality, public corporation or other entity of the United States or any state and nonmembers pursuant to the Federal Credit Union Act (48 Stat. 1216, 12 U.S.C. § 1751 et seq.) and other applicable Federal law and requirements of the National Credit Union Administration.
- (2) Participate in the Community Development Revolving Loan Program under the administration of the National Credit Union Administration.
- (3) Engage in any other programs or activities permitted by Federal or State law applicable to a community development credit union with the prior written approval of the department upon filing of an application and submittal of a fee.

Rhode Island

Silent

South Carolina

Silent

Tennessee

Silent

Texas

Sec. 122.014. UNDERSERVED-AREA CREDIT UNION

(a) In this section, "secondary capital account" means a nontransactional account in an amount greater than \$100,000 as established by the commission that is:

- (1) owned by a person other than an individual; and
- (2) subordinated to other creditors.

(b) A credit union may apply to the commissioner for the designation of the credit union as an underserved-area credit union.

(c) The commissioner may designate a credit union as an underserved-area credit union only if:

- (1) at least 50 percent of a substantial and well-defined segment of the credit union's members or potential members who are at least 15 years of age earn not more than 80 percent of the state or national household median income, whichever is higher;
- (2) the credit union submits an acceptable written strategic plan for marketing to and serving the segment described by Subdivision (1); and
- (3) the credit union submits other information and satisfies other criteria as may reasonably be required by the commissioner.

- (d) In addition to the powers and authorities granted to credit unions under this subtitle or otherwise, an underserved-area credit union may:
- (1) issue secondary capital accounts to members or nonmembers of the credit union on the filing of an application with and the advance approval of the commissioner; and
 - (2) accept shares and deposits from nonmembers.
- (e) The commission may adopt rules for the organization and operation of underserved-area credit unions, including rules requiring disclosures to purchasers of secondary capital accounts and other rules concerning those accounts.

Utah
Silent

Vermont
Silent

Virginia
Silent

Washington

RCW 31.12.413

Low-income credit unions — Director's approval required — Powers — Rules

(1) A credit union may apply in writing to the director for designation as a low-income credit union. The criteria for approval of this designation are as follows:

- (a) At least fifty percent of a substantial and well-defined segment of the credit union's members or potential primary members earn no more than eighty percent of the state or national median income, whichever is higher;
- (b) The credit union must submit an acceptable written plan on marketing to and serving the well-defined segment;
- (c) The credit union must agree to submit annual reports to the director on its service to the well-defined segment; and
- (d) The credit union must submit other information and satisfy other criteria as may be required by the director.

(2)(a) Among other powers and authorities, a low-income credit union may:

(i) Issue secondary capital accounts approved in advance by the director upon application of the credit union; and

(ii) Accept shares and deposits from nonmembers.

(b) A secondary capital account is:

(i) Over one hundred thousand dollars, or a higher amount as established by the director;

(ii) Nontransactional;

(iii) Owned by a nonnatural person; and

(iv) Subordinate to other creditors.

(3) The director may adopt rules for the organization and operation of low-income credit unions including, but not limited to, rules concerning secondary capital accounts and requiring disclosures to the purchasers of the accounts.

West Virginia

Silent

Wisconsin

186.113 Credit union powers. A credit union may:

(11) Accounts.

(b) Offer deposit accounts to any person if the credit union satisfies the requirements specified in 12 CFR 701.34 (a) for designation as a low-income credit union and files a statement with the office of credit unions agreeing to be bound by requirements and conditions that are substantially identical to those imposed by the national board and the national credit union administration on federal credit unions designated under 12 CFR 701.34 (a).

Chapter 3

Credit Unions in Schools

2011 Model Credit Union Act:

Section 4.20. School service facilities.

(1) As used in this section the following terms shall have the following meanings:

(a) "School" shall mean any accredited educational institution;

(b) "Student" shall mean an individual enrolled in a school;

(c) "Student service facility" shall mean the designation provided to a credit union's facilities providing in-school services and financial education offered to students.

(2) A credit union organized under this article may, upon agreement with a school's governing body, open and maintain a student service facility.

**Comparative Digest of Credit Union Acts*: Membership
Provisions from State Credit Union Acts**

Credit Unions in Schools**

*There are 47 state credit union acts. Delaware, South Dakota and Wyoming do not have a state credit union act.

**Most states allow credit unions in schools; however, the authority to do so is rarely in the state credit union act.

Alabama

Silent

Alaska

Silent

Arizona

Silent

Arkansas

Silent

California

Silent

Colorado

Silent

Connecticut

Silent

Florida

Silent

Georgia
Silent

Hawaii
Silent

Idaho
Silent

Illinois
Silent

Indiana
Silent

Iowa
Silent

Kansas
Silent

Kentucky
Silent

Louisiana
Silent

Maine
Silent

Maryland
Silent

Massachusetts

Silent

Michigan

Silent

Minnesota**52.211 STUDENT EDUCATION PROGRAMS**

A credit union is allowed to establish part-time deposit-taking locations at elementary and secondary schools provided that the locations are established in connection with student education programs approved by the school administration and consistent with safe and sound financial institution practices. For purposes of this section, students do not need to be members of the credit union to participate, and the students' parents are not eligible to become members solely by reason of their child's participation

Mississippi

Silent

Missouri

Silent

Montana**32-3-106. Instruction in schools -- establishment of a student financial institution**

With the consent and under the direction of the state superintendent of public instruction, the organization, management, and extension of credit unions as set forth in this chapter may be taught in the public schools of this state, and the boards of trustees of a high school district, as defined in 20-6-101, or a K-12 district, as defined in 20-6-701, may establish a school financial institution, as defined in 32-1-115.

Nebraska

Silent

Nevada

Silent

New Hampshire

Silent

New Jersey

Silent

New Mexico

Silent

New York

§ 450-b. Designation of student branches

1. As used in this section the following terms shall have the following meanings:

(a) "school" shall mean any public or private elementary or secondary school;

(b) "student" shall mean a child enrolled in a school;

(c) "student branch" shall mean the designation provided to the credit union pertaining to the in-school services and financial education offered to students. A student branch shall not be deemed to be a station and shall not be subject to any of the provisions of this article applicable to stations; provided, however, that a credit union shall provide written notice to the superintendent of the establishment of any such student branch.

2. A credit union organized under this article may upon agreement with a school's governing body open and maintain a student branch.

3. Notwithstanding any other provision of this article any student enrolled in the school maintaining a student branch who is not otherwise qualified for membership in the credit union is hereby qualified for a student membership. Said student membership shall expire thirty days after the student's graduation from secondary school, transfer to another school or termination of enrollment. The student branch shall be for the express use of the students and may not be used by faculty, staff or lineal ancestors or descendants of students. Neither faculty, staff nor lineal ancestors or descendants of student members are eligible for membership in the credit union unless otherwise qualified under this article.

4. The superintendent may promulgate regulations appropriate to the formation and operation of student branches.

North Carolina

Silent

North Dakota

Silent

Ohio

1733.04 Authority of credit union

(C)

(1) As used in division (C) of this section:

(a) "School" means an elementary or secondary school.

(b) "Student" means a child enrolled in a school.

(c) "Student branch" means the designation provided to the credit union for the in-school services and financial education offered to students.

(2) A credit union, upon agreement with a school board, in the case of a public school, or the governing authority, in the case of a nonpublic school, and with the permission of the superintendent, may open and maintain a student branch.

(3) Notwithstanding any other provision of this section, any student enrolled in the school maintaining a student branch who is not otherwise qualified for membership in the credit union maintaining the student branch is qualified to be a member of that student branch.

(4) The student's membership in the student branch expires upon the student's graduation from secondary school.

(5) The student branch is for the express use of students and may not be used by faculty, staff, or lineal ancestors or descendants of students.

(6) Faculty, staff, or lineal ancestors or descendants of students are not eligible for membership in the credit union maintaining the student branch unless otherwise qualified by this section to be members.

(7) The superintendent may adopt rules appropriate to the formation and operation of student branches.

Oklahoma

Silent

Oregon

Silent

Pennsylvania

Silent

Rhode Island

Silent

South Carolina

Silent

Tennessee
Silent

Texas
Silent

Utah
Silent

Vermont
Silent

Virginia
Silent

Washington
Silent

West Virginia
Silent

Wisconsin
Silent

Chapter 4

Membership Retention

2011 Model Credit Union Act:

Section 4.25. Retention of Membership.

Unless the credit union's bylaws state otherwise, once a person becomes a member of a credit union in accordance with this Act, that person or organization may remain a member of that credit union until the person or organization chooses to withdraw from the membership of the credit union, or is terminated under Section 4.70 of this Act.

**Comparative Digest of Credit Union Acts*: Membership
Provisions from State Credit Union Acts**

Membership Retention

*There are 47 state credit union acts. Delaware, South Dakota and Wyoming do not have a state credit union act.

Alabama

Silent

Alaska

Silent

Arizona

Silent

Arkansas

Silent

California

14809

Members who leave the field of membership may be permitted to retain their membership in the credit union unless otherwise provided in the credit union's bylaws.

Colorado

11-30-103. Membership

(3) A member who leaves the field of membership of the credit union may retain membership in the credit union as provided by the bylaws of the credit union.

Connecticut

Silent

Florida

Silent

Georgia

7-1-651. Membership; shares

(c) A person or corporation who leaves the field of membership may be permitted to retain his membership in the credit union at the discretion of the board of directors.

Hawaii

§412:10-109 Membership

(e) Members who cease to be eligible for membership may be permitted to retain their membership in the credit union, under reasonable standards established by the board of directors.

Idaho

26-2110. Membership

(d) An individual who leaves the field of membership may be permitted to retain his membership in the credit union at the discretion of the board, and as provided in the bylaws.

Illinois

(205 ILCS 305/17) (from Ch. 17, par. 4418)

Sec. 17. Members who leave field

Nothing in this Act shall be construed to impair the charter of an existing credit union, prevent the merger of credit unions as otherwise provided for in this Act or prevent a credit union from retaining as a member a person who subsequent to becoming a member, leaves the credit union's common bond or undergoes a change in marital status.

Indiana

Silent

Iowa

533.202 Common bond — membership — ownership share

c. Unless the state credit union's bylaws state otherwise, once a person or organization becomes a member of a state credit union in accordance with this chapter, the person or organization may remain a member of that state credit union, and retain all membership privileges, until the person or organization chooses to withdraw from the membership of the state credit union, or is expelled pursuant to section 533.210.

Kansas

17-2205: Membership of credit union; continuation of branch operations, limitations
(a) (2) Once a person becomes a member of the credit union, such person may remain a member of the credit union until the person chooses to withdraw or is expelled from the membership of the credit union.

Kentucky

286.6-125 Retention of membership

Members who leave the field of membership may be permitted to retain their membership in the credit union, under reasonable standards established by the board of directors.

Louisiana

Silent

Maine

Silent

Maryland

Silent

Massachusetts

Silent

Michigan

490.352 Domestic credit union; membership; composition; field of membership; application; approval by commissioner; revision; extension

(7) If authorized in the bylaws of the domestic credit union, a member that is no longer in the field of membership of the domestic credit union because the field of membership is revised under this section, or the member leaves the field of membership, may continue as a member, on the same basis as any other member, or on a different basis if the bylaws establish a different basis for that continued membership.

Minnesota

52.05 MEMBERSHIP

Subdivision 1. Requirements

. . . When an individual member of a credit union leaves the field of membership, the member, and all persons who became members by virtue of that individual's membership may continue as members. The surviving spouse of a regularly qualified member, and the blood or adoptive relatives of either of them and their spouses may become members

Mississippi

Silent

Missouri

370.080. 3. Membership of credit union, membership shares not to be pledged as security for loans

3. No individual shall be eligible for membership in a credit union on the basis of the relationship of such individual to another person who is eligible for membership in such credit union unless the individual is a member of the immediate family or household, as such terms are defined by the commission, of such person. Except as provided in section 370.340, once a person becomes a member of a credit union in accordance with this chapter, such person or organization may remain a member of such credit union until the person or organization chooses to withdraw from the membership of the credit union.

Montana

32-3-308. Members who leave field

Members who leave the field of membership may be permitted to retain their membership in the credit union as a matter of general policy of the board of directors.

Nebraska

21-1745. Retention of membership

Members who cease to be eligible or who leave the field of membership may be permitted to retain their membership in the credit union under reasonable standards established by the board of directors unless terminated by withdrawal or expulsion.

Nevada

NRS 678.510 Eligibility for membership

3. Any member of a credit union who loses the bond that is characteristic of all other members may be permitted to retain his or her membership in the credit union at the discretion of the board of directors.

New Hampshire

Silent

New Jersey

17:13-92 Membership of credit union; regulations

d. Members who leave the field of membership may be permitted to retain their memberships in the credit union under reasonable standards established by the board.

New Mexico

58-11-24. Member eligibility

Members who cease to be eligible for membership in a credit union for reasons other than expulsion may be permitted to retain their membership in the credit union, subject to any restrictions which may be established by the bylaws.

New York

Silent

North Carolina

§ 54-109.29. Members who leave field

Members who leave the field of membership may be permitted to retain their membership in the credit union as a matter of general policy of the board of directors.

North Dakota

Silent

Ohio

1733.05 Membership

(C) The membership of a credit union shall be limited to groups having a common bond of occupation or association or groups within a well-defined neighborhood, community, or rural district; however, except as otherwise provided in the articles or regulations, a person shall be deemed to retain affiliation with the credit union so long as he remains a member of the credit union even though no longer within the field of membership.

Oklahoma

Silent

Oregon

723.186 Members who leave field of membership

A member who leaves the credit union's field of membership may be permitted to retain the member's membership in the credit union.

Pennsylvania

§ 701. Membership

(d) Continuation of membership

--Any member who leaves or has left the field of membership and has not withdrawn all of his share account shall not cease to be a member of the credit union by reason thereof, and he shall have all of the rights and obligations of membership, including, but not limited to, the right to retain and to add to his share account and the right to vote. Upon leaving the field of membership, the provisions of this subsection shall apply to persons who have become members of the credit union solely by reason of the provisions of subsection (b), but the provisions of subsection (c) shall not be affected by this subsection.

Rhode Island

Silent

South Carolina

SECTION 34-26-540. Retention of membership

Members who cease to be eligible for membership may be permitted to retain their membership in the credit union, under reasonable standards established by the board of directors.

Tennessee

Silent

Texas

Sec. 122.051. MEMBERSHIP

(c) A member who leaves the field of membership may retain membership in the credit union under reasonable board standards.

Utah

7-9-16. Members -- Eligibility -- Liability -- Grounds for closing account -- Denial of membership

(2) A member who is eligible for membership in a credit union at the time the member is admitted as a member but who is no longer in the field of membership of the credit union may

retain membership in the credit union unless otherwise provided in the bylaws of the credit union.

Vermont

§ 31401. Field of membership

(2) Within the field of membership of a credit union, members may include:

(D) notwithstanding any change in employment, occupation, residence, or other condition initially controlling the eligibility for membership in any credit union, any person properly admitted to membership in a credit union who may continue membership therein during such person's lifetime.

Virginia

§ 6.2-1327. Membership defined; field of membership

C. Except as the board of directors may provide to the contrary in the bylaws with respect to termination of membership, once a person or entity becomes a member of a credit union in accordance with this chapter, that person or entity may remain a member of that credit union until the person or entity chooses to withdraw from the credit union.

Washington

Silent

West Virginia

§31C-4-4. Members who cease to be eligible

Members who cease to be eligible for membership may be permitted to retain their membership in the credit union, under reasonable standards established by the credit union's board of directors.

Wisconsin

Silent

Chapter 5

Comparative Digest of Credit Union Acts: Member Liability

2011 Model Credit Union Act:

Section 4.30. Liability of Members.

The members of the credit union shall not be personally or individually liable for the payment of the credit union's debts solely by virtue of their membership in the credit union.

**Comparative Digest of Credit Union Acts*: Membership
Provisions from State Credit Union Acts**

Member Liability

*There are 47 state credit union acts. Delaware, South Dakota and Wyoming do not have a state credit union act.

Alabama

Silent

Alaska

Silent

Arizona

6-527. Liability of members

The members of the credit union are not personally or individually liable for the payment of its debts solely by virtue of holding membership.

Arkansas

23-35-402. Nonliability of members

The members of the credit union shall not be personally or individually liable for the payment of debts of the credit union.

California

Silent

Colorado

Silent

Connecticut

Silent

Florida

657.023 Membership

(2) Members of the credit union shall not be personally or individually liable for payment of the debts of the credit union.

Georgia

Silent

Hawaii

§412:10-109 Membership

(f) The members of a credit union shall not be personally or individually liable for the payment of the credit union's debts solely by virtue of holding membership.

Idaho

Silent

Illinois

(205 ILCS 305/18) (from Ch. 17, par. 4419)

Sec. 18. Liability of members

The members of the credit union shall not be personally or individually liable for the payment of its debts. A reduction in shares as provided for in Section 45 of this Act shall not be considered as imposing such individual or personal liability upon the members of the credit union.

Indiana

Silent

Iowa

Silent

Kansas

Silent

Kentucky

286.6-135 Liability of members

The members of the credit union shall not be personally or individually liable for the payment of its debts.

Louisiana

Silent

Maine

Silent

Maryland

Silent

Massachusetts

Silent

Michigan

Silent

Minnesota

Silent

Mississippi

Silent

Missouri

Silent

Montana

32-3-309. Liability of members

The members of the credit union shall not be personally or individually liable for the payment of its debts.

Nebraska

21-1746. Liability of members

The members of the credit union shall not be personally or individually liable for the payment of its debts solely by virtue of holding membership in the credit union.

Nevada

Silent

New Hampshire

Silent

New Jersey

17:13-92 Membership of credit union; regulations

e. Members of the credit union shall not be personally or individually liable for the payment of the credit union's debts.

New Mexico

58-11-25. Liability of members

The members of a credit union shall not be personally or individually liable for the payments of its debts solely by virtue of holding membership.

New York

§ 463. Exemptions and individual liability of shareholders

The transfer of the shares of any credit union shall not be taxable under the provisions of article twelve of the tax law. The shareholders of a credit union shall not be individually liable for the payment of the credit union's debts.

North Carolina

§ 54-109.30. Liability of shareholders

A shareholder of any such corporation, unless the bylaws so provide, shall not be individually liable for the payment of its debts for an amount in excess of the par value of the shares which he owns or for which he has subscribed.

North Dakota

Silent

Ohio
Silent

Oklahoma
Silent

Oregon
723.192 Individual liability
The members of the credit union shall not be personally or individually liable for the payment of the debts of the credit union.

Pennsylvania
Silent

Rhode Island
Silent

South Carolina
SECTION 34-26-550. Member liability for credit union debt
The members of the credit union shall not be personally or individually liable for the payment of the credit union's debts solely by virtue of holding membership.

Tennessee
Silent

Texas
Silent

Utah
7-9-16. Members -- Eligibility -- Liability -- Grounds for closing account -- Denial of membership
(3) A member of the credit union may not be held personally or individually liable for payment of the credit union's debts.

Vermont

§ 31403. Liability of members

The members of the credit union shall not be personally or individually liable for the acts, debts, liabilities, or obligations of the credit union or the payment of the credit union's debts solely by virtue of their membership in the credit union.

Virginia

§ 6.2-1327. Membership defined; field of membership

E. Members of the credit union shall not be personally liable for payment of the debts of the credit union.

Washington

Silent

West Virginia

§31C-4-5. Liability and expulsion of members

(a) The members of the credit union shall not be personally or individually liable for the payment of its debts solely by virtue of holding membership.

Wisconsin

Silent

Chapter 6

Comparative Digest of Credit Union Acts: Termination of Membership

2011 Model Credit Union Act:

Section 4.35. Membership Termination.

(1) The board of directors may expel a member for cause by a majority vote of a quorum of directors, pursuant to a written policy adopted by the board. For the purposes of this section, “cause” includes a loss to the credit union, a violation of the membership agreement or any policy or procedure adopted by the board, or inappropriate behavior such as physical or verbal abuse of credit union members or staff. All members shall be given written notice of such policies. Any person expelled by the board shall have the right to request a hearing before the board to reconsider the expulsion.

(2) A credit union may terminate the membership of any member who withdraws his or her shares to less than one par share.

(3) Persons whose membership has been terminated, whether by withdrawal or expulsion, shall have no further rights in the credit union, but are not released from any obligation owed to the credit union.

(4) A member who has been expelled as provided herein, may not be readmitted to membership except upon approval by a majority vote of the board after application and proof that the applicant remains within the credit union’s field of membership, has adequately explained, addressed or remedied the conditions leading to expulsion and will abide by the terms and conditions of membership. Not more than one such application for readmission may be made within any twelve month calendar period.

Comparative Digest of Credit Union Acts*: Membership Provisions from State Credit Union Acts

Termination of Membership

*There are 47 state credit union acts. Delaware, South Dakota and Wyoming do not have a state credit union act.

Alabama

§ 5-17-6. Expulsion or withdrawal of members

A member may be expelled by a two-thirds vote of the members present at a special meeting called to consider the matter, but only after a hearing. Any member may withdraw from the credit union at any time, but notice of withdrawal may be required. All amounts paid on shares or as deposits of an expelled or withdrawing member, with any dividends or interest accredited thereto to the date thereof shall, as funds become available and after deducting all amounts due from the member to the credit union, be paid to him. The credit union may require 60 days' notice of intention to withdraw shares and 30 days' notice of intention to withdraw deposits. Withdrawing or expelled members shall have no further rights in the credit union but are not, by such expulsion or withdrawal, released from any remaining liability to the credit union. A credit union may reserve in its bylaws the right to pay out not more than one half of its monthly receipts to withdrawing members and depositors

Alaska

Sec. 06.45.200. Expulsion and withdrawal of members

A member may be expelled by a two-thirds vote of the members of a credit union present at a special meeting called for the purpose, but only after the member has been given an opportunity to be heard. Withdrawal or expulsion of a member does not discharge the liability of the member to the credit union. The amount to be paid a withdrawing or expelled member by a credit union shall be determined and paid in the manner specified in the bylaws.

Arizona

6-524. Termination of membership

A. A member may withdraw from a credit union at any time on giving notice of withdrawal as required in the bylaws. The credit union may require up to sixty days' notice of the intention to withdraw shares or deposits, but the notice does not entitle the member to any preferred or prior claim in the event of liquidation.

B. A member may be expelled by a two-thirds vote of the members present at any regular meeting or a special meeting of the membership, but only after the member has had an opportunity to be heard at the meeting, or the board of directors may expel a member

pursuant to a written policy adopted by it. The board shall give all members written notice of the terms of any such policy. A person being considered for expulsion by the board has the right to a hearing before the board. Not less than ten days before the consideration of any expulsion of a member, whether by action of the membership or of the board, the affected member shall be provided with a written notice of the potential expulsion and a list of the reasons for the expulsion.

C. As monies become available and after deducting all amounts due from the member to the credit union, the credit union shall pay to the withdrawing or expelled member the amounts paid on shares and deposits by the withdrawing or expelled member, with any dividends or earnings accredited. Withdrawing or expelled members have no further rights in the credit union but are not released, by the withdrawal or expulsion, from any remaining liability to the credit union.

Arkansas

23-35-404. Expulsion of members

(a) A member of a credit union may be expelled by the board of directors of the credit union, but only after he has been given an opportunity to be heard regarding the purpose of the expulsion. A written notice of this hearing, setting forth the time, place, and date for the meeting, shall be forwarded to the member by the board together with the charges which serve as the basis for the expulsion.

(b) The member may be expelled for:

- (1) Failure to meet the conditions of his membership;
- (2) Failure to carry out his obligations to the credit union;
- (3) Conviction of a felony;
- (4) Neglect or refusal to comply with the laws and bylaws under which the credit union operates;
- (5) Habitual neglect to pay obligations;
- (6) Insolvency; or
- (7) Bankruptcy.

(c) If the board votes to expel the member, he shall remain liable for any sums owed to the credit union for loans or other purposes.

(d) The credit union may require sixty (60) days' written notice to withdraw shares or deposits by the member, as funds become available.

California

14801

Every credit union may expel members as provided in Section 14456 of this division and Section 7341 of the Corporations Code.

7341 (Corporations Code).

(a) No member may be expelled or suspended, and no membership or memberships may be terminated or suspended, except according to procedures satisfying the requirements of this section. An expulsion, termination or suspension not in accord with this section shall be void and without effect.

(b) Any expulsion, suspension, or termination must be done in good faith and in a fair and reasonable manner. Any procedure which conforms to the requirements of subdivision (c) is fair and reasonable, but a court may also find other procedures to be fair and reasonable when the full circumstances of the suspension, termination, or expulsion are considered.

(c) A procedure is fair and reasonable when:

(1) The provisions of the procedure have been set forth in the articles or bylaws, or copies of such provisions are sent annually to all the members as required by the articles or bylaws;

(2) It provides the giving of 15 days' prior notice of the expulsion, suspension or termination and the reasons therefor; and

(3) It provides an opportunity for the member to be heard, orally or in writing, not less than five days before the effective date of the expulsion, suspension or termination by a person or body authorized to decide that the proposed expulsion, termination or suspension not take place.

(d) Any notice required under this section may be given by any method reasonably calculated to provide actual notice. Any notice given by mail must be given by first-class or registered mail sent to the last address of the members shown on the corporation's records.

(e) Any action challenging an expulsion, suspension or termination of membership, including any claim alleging defective notice, must be commenced within one year after the date of the expulsion, suspension or termination. In the event such an action is successful the court may order any relief, including reinstatement, it finds equitable under the circumstances, but no vote of the members or of the board may be set aside solely because a person was at the time of the vote wrongfully excluded by virtue of the challenged expulsion, suspension or termination, unless the court finds further that the wrongful expulsion, suspension or termination was in bad faith and for the purpose, and with the effect, of wrongfully excluding the member from the vote or from the meeting at which the vote took place, so as to affect the outcome of the vote.

(f) This section governs only the procedures for expulsion, suspension or termination and not the substantive grounds therefor. An expulsion, suspension or termination based upon substantive grounds which violate contractual or other rights of the member or are otherwise unlawful is not made valid by compliance with this section.

(g) A member who is expelled or suspended or whose membership is terminated shall be liable for any charges incurred, services or benefits actually rendered, dues, assessments or fees incurred before the expulsion, suspension or termination or arising from contract or otherwise.

Colorado

11-30-119. Expulsion or withdrawal of members - deceased members

(1) Any member may withdraw from the credit union at any time, but notice of withdrawal may be required in the bylaws. The board of directors may expel any member from membership in the credit union if such member fails to comply with the written rules and policies of the credit union as adopted and made available to the membership.

(2) A member shall not be expelled until the member has been informed in writing of the reasons for the expulsion and has had reasonable opportunity to be heard.

(3) All amounts paid on shares or as deposits of an expelled member or withdrawing member, together with any dividends or interest accredited thereto, to the date thereof, as funds become available and after deducting all amounts due from the member to the credit union, shall be paid to such member. The credit union may require sixty days' written notice of intention to withdraw shares and thirty days' written notice of intention to withdraw deposits. Withdrawing or expelled

Connecticut

Sec. 36a-439a. Membership applications. Expulsion of member

(a) All applications for membership shall be submitted to the Connecticut credit union. The governing board at a regular meeting shall consider and act upon the membership applications received by the Connecticut credit union subsequent to the previous regular meeting or such applications may be considered and acted upon by the membership officer, if one is appointed by the governing board.

(b) The governing board may expel any member who has not carried out such member's obligations to the Connecticut credit union or who has failed to comply with such credit union's bylaws. No member may be expelled by the governing board until such member has been informed in writing of the charges against such member and has had a reasonable opportunity to be heard thereon.

(c) A Connecticut credit union may cancel the shares of any member who is expelled, applying the value thereof to such member's indebtedness to the Connecticut credit union. A member of a Connecticut credit union who has been expelled shall not be relieved of any liability to the Connecticut credit union. The Connecticut credit union shall repay the amounts paid in on shares by expelled members, together with any dividends credited to the member's shares, in the order of the member's expulsion, as funds become available therefor, except that the Connecticut credit union may deduct from such payments any sums due it from such member.

Florida

657.023 Membership

(3) A credit union may close the account and terminate the membership of any member whose actions have resulted in any financial loss to the credit union or for good cause.

Georgia

7-1-653. Expulsions and withdrawals; disposition of deposits, interest, shares, or dividends; reinstatement

(a) At any regular or called meeting of the members, by a two-thirds' vote of those present, the members may expel from the credit union any member thereof. A member may withdraw from a credit union and a nonmember may withdraw deposits as provided in this Code section by filing a written notice of such intention. All deposits of an expelled or withdrawing member or nonmember with any interest accrued shall be paid to such member or nonmember, subject to 60 days' notice, after deducting any amounts due to the credit union by such member or nonmember. A credit union, upon the resignation or expulsion of a member, shall cancel the share, deposits, or dividends or interest due thereon and may apply the withdrawal value of such funds toward the liquidation of such member's indebtedness. Said expelled or withdrawing member or nonmember shall have no further right in said credit union or to any of its benefits, but such expulsion or withdrawal shall not operate to relieve said member or nonmember from any remaining liability to the credit union.

(b) A member may be expelled for reasons defined in the bylaws by a two-thirds' vote of the board of directors. An expelled member may obtain reinstatement by an affirmative vote of the majority of the members voting at the next annual meeting of the credit union.

Hawaii

§412:10-109 Membership

(g) The board of directors may expel a member from membership in the credit union, if such member fails to comply with the articles, bylaws, rules, or regulations of the credit union, any law applicable to the credit union, or for any other just cause; provided that no member may be expelled unless:

(1) The member has been informed in writing of the reasons for the expulsion;

(2) The member has, upon request, a reasonable opportunity to present evidence and argue against the expulsion, before a hearing panel consisting of the board of directors and the supervisory committee; and

(3) If the hearing is requested, a majority of the hearing panel votes to expel the member.

The amounts paid by an expelled member for shares of the credit union shall be paid to such member after deducting any amounts due by such member to the credit union; provided that such expulsion shall not relieve the expelled member from any remaining liability to the credit union.

Idaho

26-2111. Expulsion and/or withdrawal from field or membership

A member of a credit union may be expelled by the board but only after an opportunity has been given him to be heard for the purpose of such expulsion. A written notice of this hearing setting forth the time, place, and date for such meeting shall be forwarded to the member by the board together with the charges which serve as the basis for the expulsion. The member may be expelled for failure to meet the conditions of his membership, failure to carry out his obligations to the credit union, conviction of a felony, neglect or refusal to comply with the provisions of the laws under which this credit union operates and the bylaws of the credit union, and habitual neglect to pay obligations. Upon completion of the hearing, and if the board has voted to expel the member, the member shall remain liable for any sums owed to the credit union for loans or other purposes. The credit union may require twenty (20) days' written notice to withdraw shares and/or deposits by the member, as funds become available.

Illinois

(205 ILCS 305/15) (from Ch. 17, par. 4416)

Sec. 15. Membership defined

(3) Any member may be expelled by a 2/3 vote of the members present at any regular or special meeting called to consider the matter, but only after an opportunity has been given to the member to be heard.

(4) A member who has caused a loss to the credit union, failed to maintain one or more shares at the credit union, or violated board policy applicable to members may be expelled by a majority vote of a quorum of directors if the board has adopted a policy providing for expulsion under those circumstances. In maintaining and enforcing a policy based on loss, the board may consider, without limitation, a member's failure to pay amounts due under a loan, failure to provide collected funds to cover withdrawals or personal share drafts or credit union drafts where the member is a remitter, or failure to pay fees or charges due the credit union. If a policy is adopted by the board pursuant to this subsection (4), written notice of the policy and the effective date of the policy shall be mailed to each member of the credit union at the member's current address appearing on the records of the credit union. The policy shall be mailed to members not fewer than 30 days prior to the effective date of the policy. In addition, new members shall be provided written notice of the policy prior to or upon applying for membership.

(5) All or any part of the amount paid on shares of a withdrawing member or expelled member with any declared dividends or interest on the date of withdrawal or expulsion must, after deducting all amounts due from the member to the credit union, be paid to him. The credit union may require not more than 60 days' written notice of intention to withdraw shares, but a notice of withdrawal does not entitle the member to any preferred or prior claim in the event of liquidation. Withdrawing or expelled members have no further rights in the credit union, but are not, by withdrawal or expulsion, released from any obligation they owe to the credit union.

Indiana

IC 28-7-1-26.3

Termination of membership; termination or suspension of services to member; withdrawal from membership; notice

Sec. 26.3. (a) A credit union board may terminate the membership of, or terminate some or all services to, a member who does any of the following:

(1) Causes a loss to the credit union.

(2) Commits fraud or another misdeed against the credit union or against a person on the premises of the credit union.

(b) Pending action by the credit union board at the credit union board's next regularly scheduled meeting, a credit union may immediately suspend any credit union services to a member who does any of the following:

(1) Causes a loss to the credit union.

(2) Commits fraud or another misdeed against:

(A) the credit union; or

(B) a person on the premises of the credit union.

(c) A member may withdraw from a credit union at any time. However, the credit union may require a notice of withdrawal from the withdrawing member as a condition of withdrawal.

(d) Unless the withdrawal of a member occurs on a maturity date or not later than seven (7) days after a maturity date, a credit union may require that a withdrawing member give sixty (60) days written notice of the member's intention to withdraw shares. A credit union may waive an applicable notice period for a specific member or account in writing.

(e) After a termination or withdrawal under this section, the former member has no rights in the credit union. However, the termination or withdrawal does not release the former member from any remaining liability to the credit union.

Iowa

533.210 Expulsion or withdrawal of credit union member.

1. The board of directors may expel any member of a state credit union who has failed to do either of the following:

a. Carry out the member's obligations to the state credit union.

b. Comply with the state credit union's bylaws or policies.

2. A member of a state credit union may be expelled by a majority vote of the board of directors at a regular or special meeting of the board.

a. An expelled member may request a hearing before the membership of the state credit union, which shall be held within sixty days of an expelled member's request.

b. At the hearing, the membership may reinstate the expelled member by majority vote, upon terms and conditions prescribed at the hearing.

3. Any member may withdraw from the state credit union at any time, but advance notice of withdrawal of shares or deposits may be required as provided in this section.

4. After deducting all amounts due from the member to the state credit union and the amount necessary to honor outstanding share drafts drawn against accounts of the member, all amounts paid on shares or as deposits of an expelled or withdrawn member, along with accrued dividends and interest to the date of expulsion or withdrawal, shall be paid to that member.

5. Upon expulsion or withdrawal of a member from a state credit union, or at any other time, the state credit union may require sixty days' notice of intention to withdraw shares and thirty days' notice of intention to withdraw deposits, except that a state credit union shall not at any time require notice of withdrawal with respect to funds that are subject to withdrawal by share drafts.

6. Expelled or withdrawn members shall have no further rights in the state credit union. However, expelled or withdrawn members shall not be released from any remaining liability to the state credit union because of the expulsion or withdrawal.

Kansas

17-2219. Expulsion of members, when; procedure; members may withdraw; refund of money paid in.

(a) Any member may be expelled from the credit union:

(1) By a 2/3 vote of the members present at any regularly called meeting of the membership; or

(2) in accordance with the provisions of sub-section (b), by the board of directors for a member's abuse of member account privileges, a member's act or failure to act which causes financial loss to the credit union, or a member's failure to purchase shares and utilize loan or other services of the credit union. The board of directors shall report the expulsion of a member at the next regularly scheduled members' meeting.

(b) The board of directors of a credit union may adopt a policy with respect to expulsion from membership for any reason set forth in paragraph (2) of subsection (a). If such a policy is adopted, written notice of the policy as adopted and effective date of such policy shall be mailed to each member of the credit union at the member's current address appearing on the records of the credit union not less than 30 days prior to the effective date of such policy. In addition, each new member shall be provided written notice of any such policy prior to or upon applying for membership. The board of directors of a credit union shall provide the member with a notice of expulsion from the membership not less than 30 days prior to the effective date of the expulsion. Within the thirty-day period, the member, by written request,

may require the board of directors to bring the member's expulsion before the credit union membership at the next regularly scheduled members' meeting. If the member makes such written request, the board of directors' expulsion of such member shall be delayed until the credit union membership votes on such member's expulsion as provided under subsection (a).

(c) A member may withdraw from a credit union, as hereinafter provided, by filing a written notice of such intention. All amounts paid on shares of an expelled or withdrawing member, with any dividends credited to the member's shares to the date of expulsion, or withdrawal, shall be paid to the member, but only as funds become available and after deducting any amounts due to the credit union by the member. All shares of an expelled or withdrawing member, with any interest accrued, shall be paid to the member, subject to 60 days' notice, and after deducting any amounts due to the credit union by the member. The member, when withdrawing shares, shall have no further right in the credit union or to any of its benefits, but such expulsion or withdrawal shall not operate to relieve such member from any remaining liability to the credit union.

Kentucky

286.6-450 Expulsion and withdrawal of members.

(1) At any regularly called meeting, the members, by a two-thirds (2/3) vote of those present, may expel any member for cause and after hearing. A member may withdraw from a credit union by filing a written notice of such intention.

(2) All amounts paid in on shares of an expelled or withdrawing member, with any dividends credited to his shares to the date of expulsion or withdrawal, shall be paid to such member in the order of expulsion or withdrawal and only as funds therefor become available, after deducting any amounts due to the corporation by such member. Such member, when withdrawing shares or deposits, shall have no further right in the credit union or to any of its benefits but such expulsion or withdrawal shall not operate to relieve him from any remaining liability to the corporation.

Louisiana

§659. Expulsion and withdrawal of members

At any regularly called meeting the members may, by a two-thirds vote of those present, expel any member from the corporation for cause. A member may withdraw from a credit union, as provided in this Chapter, by filing a written notice of his intention.

All amounts paid in on shares of an expelled or withdrawing member with any dividends credited to his share to the date of expulsion or withdrawal shall be paid to the member, but only as funds for this become available and only after deducting any amount due to the corporation by the member. All deposits and shares of an expelled or withdrawing member, with any interest accrued, shall be paid the member subject to sixty days notice, and any amounts due to the corporation by the member shall be deducted. The member when withdrawing shares has no further right in the credit union or to any of its benefits, but the

expulsion or withdrawal does not relieve the member from any remaining liability to the corporation.

Maine

§847. Expulsion of members

1. Grounds for expulsion. The board of directors may expel from the credit union any member who has not carried out his engagement with it, or who has been convicted of a criminal offense, or who neglects or refuses to comply with the provisions of this Part or the bylaws of the credit union, or who has deceived the credit union or a committee thereof with regard to the use of borrowed money; but no member shall be expelled until he has been informed in writing of the charges against him and until an opportunity has been given him, after reasonable notice, to be heard thereon.
2. Return of paid-in shares. The amounts paid in on shares by members who have withdrawn or have been expelled shall be paid to them in the order of withdrawal or expulsion, but only as funds therefor become available and after deducting any amounts due from such members to the credit union.
3. Liability unaffected by expulsion. Such expulsion shall not operate to relieve a member from any outstanding liability to the credit union

Maryland

§ 6-319. Expulsion and withdrawal of members

(a) Expulsion. -- Subject to the applicable provisions of the bylaws, the board may expel any member of the credit union who:

- (1) Defaults on the payment of any monetary obligation to the credit union;
- (2) Is convicted of a criminal offense involving dishonesty or breach of trust;
- (3) Neglects or refuses to comply with the provisions of this title or of the bylaws of the credit union;
- (4) Habitually neglects to pay debts or becomes insolvent or bankrupt; or
- (5) Subject to the provisions of subsection (b) of this section, violates a written expulsion policy adopted by the board.

(b) Notice of expulsion policy; reconsideration of expulsions. --

- (1) The board shall post conspicuously at each office of the credit union a notice of any expulsion policy adopted by the board.

(2) A person expelled by the board may request a reconsideration of the expulsion.

Massachusetts

Title XXII, Chapter 171, Section 14, Expulsion of members

The board of directors may expel from a credit union any member who has not carried out his engagements with it, who has been convicted of a criminal offense, or who neglects or refuses to comply with the provisions of this chapter or of the by-laws of the credit union, or whose private life is a source of scandal, or who habitually neglects to pay his debts, or who becomes insolvent or bankrupt, or who has deceived the corporation or any committee thereof with regard to the use of borrowed money; provided, however, that no member shall be so expelled until he has been informed in writing of the charges against him, after reasonable notice and an opportunity to be heard thereon.

The amounts paid in on shares or deposited by members who have withdrawn or have been expelled shall be paid to them, in the order of withdrawal or expulsion, but only as funds therefor become available and after deducting any amounts due from such members to the credit union. Such expulsion shall not operate to relieve a member from any outstanding liability to the credit union.

Michigan

490.357 Termination or withdrawal of member

(1) A credit union board may terminate the membership of, or terminate some or all services to, a member who does any of the following:

(a) Causes a loss to the domestic credit union.

(b) Commits fraud or another misdeed against the domestic credit union or against a person on the premises of the domestic credit union.

(2) Pending action by the credit union board at its next regularly scheduled meeting, a domestic credit union may immediately suspend any credit union services to a member who does any of the following:

(a) Causes a loss to the domestic credit union.

(b) Commits fraud or another misdeed against the domestic credit union or against a person on the premises of the domestic credit union.

(3) A member may withdraw from a domestic credit union at any time, but the domestic credit union may require a notice of withdrawal from the withdrawing member as a condition of withdrawal.

(4) When money becomes available, and after deducting all amounts owed to the domestic credit union by the member, a domestic credit union shall pay a person whose membership is terminated or who is a withdrawing member any amounts paid on shares or as deposits of the member and any dividends or interest accrued on the shares or deposits before the date of payment.

(5) Unless the withdrawal of a member occurs on a maturity date or within 7 days after a maturity date, a domestic credit union may require that a withdrawing member give a 60-day notice of intention to withdraw shares or a 30-day notice of intention to withdraw deposits. A domestic credit union that requires a notice of intention to withdraw may wait until the expiration of the applicable notice period before complying with subsection (4). A domestic credit union may waive an applicable notice period for a specific member or account in writing.

(6) After a termination or withdrawal under this section, the former member has no rights in the domestic credit union, but the termination or withdrawal does not release the former member from any remaining liability to the domestic credit union.

Minnesota

52.19 EXPULSION OR WITHDRAWAL OF MEMBERS.

Subdivision 1. General regulation.

A member may be expelled by a two-thirds vote of the members present at a special meeting called to consider the matter, but only after a hearing. A member may also be expelled by the board of directors in accordance with a procedure and policy under subdivision 2. Any member may withdraw from the credit union at any time, but notice of withdrawal may be required. All amounts paid on shares or as deposits of an expelled or withdrawing member, with any dividends or interest accredited thereto, to the date thereof, shall, as funds become available and after deducting all amounts due from the member to the credit union and an amount as necessary to honor outstanding share drafts drawn against the accounts of the member, be paid to the member. The credit union may require 60 days' notice of intention to withdraw shares and 30 days' notice of intention to withdraw deposits, except that a credit union shall not at any time require notice of withdrawal of funds subject to withdrawal by share drafts. Withdrawing or expelled members shall have no further right in the credit union, but are not, by the expulsion or withdrawal, released from any remaining liability to the credit union.

Subd. 2. Board procedure and policy.

The board of directors may adopt a procedure and policy for expulsion of members for cause and for nonparticipation in the affairs of the credit union. The nonparticipation policy must be based on:

- (1) failure to purchase and maintain at least one credit union share or to pay entrance or membership fees, if any; or
- (2) causing monetary loss to the credit union.

If adopted, written notice of the procedure and policy and their effective date shall be mailed not less than 30 days before their effective date to each member of the credit union at the member's address on the credit union records. Each new member shall be provided written notice of the procedure and policy before or upon applying for membership.

Mississippi

SEC. 81-13-55. Expulsion of members.

At any duly held meeting the board of directors, by a two-thirds (2/3) vote of those present may expel from the corporation any member thereof.

Missouri

Expulsion and withdrawal of members, expelled member's right to hearing--refunds.

370.340. 1. At any regularly called meeting the members, by a two-thirds vote of those present, may expel from the credit union any member thereof.

2. A member may withdraw from a credit union, as herein provided, by filing a written notice of such intention.

3. The board of directors may expel a member pursuant to a written policy adopted by it. Any person expelled by the board shall have the right to request a hearing before the board to reconsider the expulsion.

4. The share balance of an expelled or withdrawing member, with any dividends credited to his shares to the date of expulsion, or withdrawal, shall be paid to said member but only as funds therefor become available, and, after deducting any amounts due to the credit union by said member. The share balance of an expelled or withdrawing member, with any dividends credited to his shares, shall be paid to such member, subject to sixty days' notice, and after deducting any amounts due to the credit union by said member.

5. Said member, when withdrawing shares, shall have no further right in said credit union or to any of its benefits, but such expulsion or withdrawal shall not operate to relieve such member from any remaining liability to the credit union.

Montana

Silent

Nebraska

21-1748. Termination of members.

(1) A member may voluntarily terminate his or her membership at any time in the way and manner provided in the bylaws.

(2) Termination of membership shall not serve to relieve a person from any liability to the credit union nor shall it be the basis for accelerating any obligation not in default. A terminated member shall be paid all sums in any of his or her share accounts without maturity dates within thirty calendar days. Sums in any share account with a maturity date shall not be paid prior to maturity unless the member specifically requests the funds. The credit union shall not be required to pay any funds from a share account to the extent that they secure loans and other obligations owing to the credit union.

21-1747. Expulsion of members.

(1) Any member may be expelled by a two-thirds vote of the members present at any regular meeting or a special meeting called to consider the matter, but only after an opportunity has been given to the member to be heard.

(2) The board of directors may expel a member pursuant to a written policy adopted by it. All members shall be given written notice of the terms of any such policy. Any person expelled by the board shall have the right, within thirty calendar days, to request a hearing before it to reconsider the expulsion. The board of directors shall schedule the requested hearing within sixty calendar days after the request.

Nevada

NRS 678.370 Board of directors: Duties. The directors of a credit union shall:

8. Suspend or remove any member who fails to perform or negligently performs his or her assigned duties;

New Hampshire

394-B:37 Grounds for Expulsion. – The board of directors may, after notice and an opportunity to be heard, expel from a credit union any member who: 1

I. Has not carried out his engagements with the credit union;

II. Has been convicted of a criminal offense;

III. Neglects or refuses to comply with the provisions of this chapter or the bylaws of the credit union;

IV. Habitually neglects to pay his debts;

V. Shall become insolvent or bankrupt; or

VI. Shall have deceived the credit union or any committee of the credit union with regard to the use of borrowed money.

New Jersey

Silent

New Mexico

Silent

New York

§ 464. Manner of withdrawal; expulsion or suspension of members; effect upon liabilities to credit unions.

1. A member desiring to withdraw from a credit union shall file a written notice of his or her intention to withdraw. However, a member who fails to complete payment of one share within six months of his or her admission to membership, or within six months from an increase in the par value of shares, or a member who reduces his or her share balance below the par value

of one share and does not increase the balance to at least the par value of one share within six months of the reduction will be considered to have withdrawn from membership in the credit union.

2. The board of directors, pursuant to a written policy approved by such board, may expel or suspend any member who has not carried out his or her engagements with the credit union, or who has been convicted of a criminal offense, or who neglects or refuses to comply with the provisions of this article, or of the bylaws, or who habitually neglects to pay his or her debts, or who becomes insolvent or bankrupt, or who is physically or verbally abusive to credit union members or staff. Such written policy shall include the conditions and procedures under which a member may be expelled or may be suspended, in whole or in part, regarding member participation in services and other rights and benefits of membership; provided, however, that a member who has been suspended may continue to maintain a share account and may continue to vote at annual and special meetings.

(a) Except as provided in paragraph (b) of this subdivision, a member shall not be expelled or suspended unless he or she has been informed in writing of the charges against him or her and has been provided the opportunity to be heard within thirty days of the date of the mailing or delivery of such written notice.

(b) In the case of a member who has been physically abusive or who has made threats of physical harm or violence, such member may be suspended or expelled from the date of the mailing or delivery of a written notice of such action and the reasons for the suspension or expulsion. As part of such notice, the member shall be advised of the opportunity to request reinstatement and to be heard within thirty days of the date of the mailing or delivery of such notice.

3. Any member of a credit union who withdraws or is suspended or expelled shall not be relieved of any liability to the corporation. The amounts paid in on shares or deposited by such members, together with any dividends credited to their shares and any interest which has accrued on their deposits, shall be repaid to them in the order of their withdrawal, suspension or expulsion, as funds become available therefor, but the credit union may deduct from such payments any sums due it from such members.

North Carolina

§ 54-109.21. General powers.

A credit union may:

(24) The board of directors may expel from the corporation any member who has not carried out the engagement the member made with the corporation, has been convicted of a felony or crime involving moral turpitude, or neglects or refuses to comply with the provisions of this Article or of the bylaws. The Board may, after notice and hearing as provided in this subdivision, expel from the corporation any member who because of the member's intemperance disrupts the activities of the credit union or who because of the member's habitual neglect of financial obligations reflects discredit upon the credit union. No member shall be expelled until informed in writing of the charges made and given an opportunity, after reasonable notice, to be heard.

North Dakota

Silent

Ohio

Silent

Oklahoma

§ 2012. Expulsions and withdrawals

(A) A member may be expelled by a two-thirds (2/3) vote of the members present at the annual or a special meeting called to consider the matter, but only after an opportunity has been given to the member to be heard at said meeting. Any member may withdraw from the credit union at any time but notice of withdrawal may be required.

(B) The board of directors may expel a member pursuant to a written policy adopted by it. All members shall be given written notice of the terms of any such policy. Any person expelled by the board shall have the right to request a hearing before it to reconsider the expulsion.

(C) All amounts paid on shares and deposits on an expelled or withdrawing member shall, as funds become available and after deducting all amounts due from the member to the credit union, be paid to him. Withdrawing or expelled members shall have no further rights in the credit union but are not, by such expulsion or withdrawal, released from any remaining liability to the credit union.

Oregon

723.202 Withdrawal and expulsion of members; request for reinstatement.

(1) Subject to subsection (2) of this section, a credit union may expel any member of the credit union who:

(a) Has not carried out the member's engagements with the credit union;

(b) Has been convicted of a criminal offense;

(c) Fails to comply with the provisions of this chapter or of the credit union's articles, bylaws or policies;

(d) Threatens, harasses or abuses any member, employee, board or committee member or agent of the credit union; or

(e) Habitually neglects to pay the member's debts or becomes insolvent or bankrupt.

(2) A credit union that expels a member shall inform the member in writing of the reasons for the expulsion and give the expelled member reasonable opportunity to request the credit union's board of directors to reinstate the member. Members of a credit union who withdraw or are expelled shall not be relieved of any liability to the credit union. The amounts paid in on shares or deposited by such members, together with any dividends credited to their shares and any interest which has accrued on their deposits, shall be repaid to them in the order of their

withdrawal or expulsion, as funds become available therefor, but the credit union may deduct from such payments any sums due to the credit union from such members.

Pennsylvania

§ 705. Expulsion and withdrawal.

(a) Expulsion.--A member may be expelled:

(1) by a vote of a majority of the members present at a regular or a special meeting called to consider the matter at which a quorum, as provided in the bylaws, is present but only after a hearing after due notice to the member of the time and place of the meeting and of the reason or reasons for such proposed expulsion; or

(2) by a vote of a two-thirds majority of the board of directors present at a regular or special meeting called to consider the matter if:

(i) the board has given the member notice of the meeting and of the reason for proposed expulsion;

(ii) there is a quorum, as provided in the bylaws, present at the meeting; and

(iii) there is a hearing on the matter at the meeting.

(b) Withdrawal.--Any member may withdraw from the credit union at any time, but notice of withdrawal may be required.

Rhode Island

§ 19-5-18 Expulsion of members. – The board of directors may expel from the credit union any member who has not fulfilled his or her duties toward the credit union, or has been convicted of a criminal offense, or neglects or refuses to comply with the provisions of this chapter or of the credit union's by-laws, or who habitually neglects to pay debts, or shall become insolvent or bankrupt, or shall have deceived the credit union with regard to the use of borrowed money, but no member shall be expelled until that member has been informed in writing of the charges against him or her, and an opportunity has been given to him or her, after reasonable notice, to be heard by the board of directors.

South Carolina

SECTION 34-26-560. Expulsion; request for hearing.

The board of directors may expel a member pursuant to a written policy adopted by it. Any person expelled by the board shall have the right to request a hearing before it to reconsider the expulsion.

Tennessee

45-4-302. Expulsion or withdrawal of members -- Settlement thereon.

(a) At any regularly called meeting, the members, by a two-thirds (2/3) vote of those present, may expel from the corporation any member. A member may withdraw from a credit union or a nonmember may withdraw members' special accounts, as provided in this section, by filing a written notice of intention.

(b) All amounts paid in on shares of an expelled or withdrawing member with any dividends credited to the member's shares to the date of expulsion or withdrawal shall be paid to the member, but only after funds become available and after deducting any amounts due to the corporation by the member.

(c) All members' special accounts of an expelled or withdrawing member, with any interest accrued, shall be paid to the member, subject to sixty (60) days' notice, and after deducting any amount due to the corporation by the member.

(d) The member, when withdrawing shares or members' special accounts, shall have no further right in the credit union or to any of its benefits, but expulsion or withdrawal shall not operate to relieve the member from any remaining liability to the corporation.

Texas

Sec. 122.051. MEMBERSHIP.

(d) In this subsection, "good cause" includes the act of physically or verbally abusing a credit union member or employee. A person's membership in a credit union may be terminated or suspended for good cause or for not maintaining membership requirements, under the conditions and in accordance with the procedures provided in the bylaws. A credit union may also discontinue providing any or all services to a member for good cause without terminating or suspending the person's membership. Termination or suspension of a person's membership in the credit union or discontinuing services does not relieve the person from any outstanding obligations owed to the credit union.

Utah

7-9-18. Expulsion of member.

(1) The board of directors or board-designated representatives may expel from the credit union any member who has not carried out his engagements with the credit union, or neglected or refused to comply with the credit union board policies, provisions of this chapter, or of the credit union bylaws.

(2) If the member whose expulsion is under consideration is a member of the board of directors or credit committee, the supervisory committee shall call a special meeting of the members to hear the facts and act upon the proposed expulsion.

Vermont

§ 31404. Membership termination

- (a) Any member may withdraw from a credit union at any time upon giving notice of withdrawal as required by the bylaws.
- (b) Any member may be expelled by a majority vote of the members present at any regular membership meeting or a special membership meeting called to consider the matter at which a quorum is present, but only after the member has been given an opportunity to be heard.
- (c) The governing body may expel a member by a majority vote of a quorum of directors, pursuant to a written policy adopted by the governing body. Any member may be expelled if he or she violates the membership agreement, any policy or procedure adopted by the governing body, the bylaws of the credit union, or if the member is physically or verbally abusive to credit union members or staff. If such a policy is adopted, written notice of the policy as adopted and the effective date of such policy shall be mailed to each member of the credit union at the member's current address appearing on the records of the credit union no fewer than 30 days prior to the effective date of such policy. In addition, each new member shall be provided written notice of any such policy prior to or upon applying for membership. Copies of such policies shall be available to members upon request. Any person expelled by the governing body shall have the right to request a hearing before the governing body to reconsider the expulsion.
- (d) A person whose membership has been terminated, whether by withdrawal or expulsion, shall have no further rights in the credit union, but is not released from any obligation owed to the credit union.
- (e) A member who has been expelled as provided in this section may not be readmitted to membership except upon approval by a majority vote of the governing body after application and proof that the applicant remains within the credit union's field of membership, has adequately explained, addressed, or remedied the conditions leading to expulsion, and will abide by the terms and conditions of membership. Not more than one such application for readmission may be made within any 12-month calendar period.

Virginia

§ 6.2-1327. Membership defined; field of membership

D. The board of directors may expel from the credit union any member who: (i) has not carried out his obligations to the credit union; (ii) has been convicted of a criminal offense; (iii) neglects or refuses to comply with the provisions of this chapter or of the bylaws; (iv) neglects to pay his debts, or otherwise causes financial loss to the credit union; or (v) has deceived the credit union with regard to the use of borrowed money. No member shall be so expelled until he has been informed in writing of the charges against him, and an opportunity has been given to him, after reasonable notice, to be heard.

Washington

RCW 31.12.388

Expulsion of member — Challenge — Share and deposit accounts.

(1) Members expelled from the credit union will be notified of the expulsion and the reasons upon which it is based. The credit union will, upon request of the expelled member, allow the member to challenge the expulsion and seek reinstatement as a member.

(2) The amounts in an expelled member's share and deposit accounts must be promptly paid to the person following expulsion, and after deducting amounts due from the member(s) to the credit union, including, but not limited to, any applicable penalties for early withdrawal.

Expulsion will not operate to relieve the person from outstanding liabilities owed to the credit union.

West Virginia

§31C-4-5. Liability and expulsion of members.

(b) Any member may be expelled by a two-thirds vote of its members present at any regular meeting or a special meeting called to consider the matter, but only after an opportunity has been given the member to be heard.

(c) The credit union's board of directors may expel a member pursuant to a written policy adopted by it. All members shall be given written notice of the terms of any such policy upon becoming a member. Any person expelled by the credit union's board of directors shall have the right to request a hearing before it to reconsider the expulsion.

Wisconsin

186.13 Expulsion.

If the board of directors adopts a written policy, a credit union may expel a member if the member neglects or refuses to comply with this chapter or the credit union bylaws or if the board has other just cause. The credit union shall provide notice to the member in writing of the reason for expulsion. The notice shall include a description of the member's right to a hearing and the time period for the member to request a hearing. If a member requests a hearing in writing within 45 days of receipt of the expulsion notice, the board shall give the member an opportunity to be heard on the expulsion within 90 days after the date of the expulsion notice.

Chapter 7

Comparative Digest of Credit Union Acts: Suspension of Services

2011 Model Credit Union Act:

Section 4.40. Suspension of Services.

A credit union may, for cause, suspend certain services to a credit union member under a policy adopted by the credit union's board of directors. Members with suspended services may maintain a share account, and continue to vote at annual and special meetings.

**Comparative Digest of Credit Union Acts*: Membership
Provisions from State Credit Union Acts**

Suspension of Services

*There are 47 state credit union acts. Delaware, South Dakota and Wyoming do not have a state credit union act.

Alabama

Silent

Alaska

Silent

Arizona

Silent

Arkansas

Silent

California

Silent

Colorado

Silent

Connecticut

Silent

Florida

Silent

Georgia

Silent

Hawaii

Silent

Idaho

Silent

Illinois

(205 ILCS 305/15) (from Ch. 17, par. 4416)

Sec. 15. Membership defined

(6) A member who has caused a loss to the credit union or has violated board policy applicable to members may be denied any or all credit union services in accordance with board policy, however, members who are denied services shall be allowed to maintain a share account and to vote on all issues put to a vote of the membership.

Indiana

IC 28-7-1-26.3

Termination of membership; termination or suspension of services to member; withdrawal from membership; notice

(b) Pending action by the credit union board at the credit union board's next regularly scheduled meeting, a credit union may immediately suspend any credit union services to a member who does any of the following:

- (1) Causes a loss to the credit union.
- (2) Commits fraud or another misdeed against:
 - (A) the credit union; or
 - (B) a person on the premises of the credit union.

Iowa

533.211 Suspension or restriction of services.

1. A state credit union may suspend or deny certain services to members who have done any of the following:

- a. Caused a loss to the state credit union.
- b. Violated the membership agreement or any policy adopted by the board.
- c. Been physically or verbally abusive to state credit union members or staff.

2. Members with suspended services may maintain a share account and continue to vote at annual and special meetings.

Kansas

Silent

Kentucky

Silent

Louisiana

Silent

Maine

Silent

Maryland

Silent

Massachusetts

Silent

Michigan

490.357 Termination or withdrawal of member.

(2) Pending action by the credit union board at its next regularly scheduled meeting, a domestic credit union may immediately suspend any credit union services to a member who does any of the following:

(a) Causes a loss to the domestic credit union.

(b) Commits fraud or another misdeed against the domestic credit union or against a person on the premises of the domestic credit union.

Minnesota

Silent

Mississippi

Silent

Missouri

Silent

Montana

Silent

Nebraska

Silent

Nevada

Silent

New Hampshire

Silent

New Jersey

Silent

New Mexico

Silent

New York

§ 464. Manner of withdrawal; expulsion or suspension of members; effect upon liabilities to credit unions.

2. The board of directors, pursuant to a written policy approved by such board, may expel or suspend any member who has not carried out his or her engagements with the credit union, or who has been convicted of a criminal offense, or who neglects or refuses to comply with the provisions of this article, or of the bylaws, or who habitually neglects to pay his or her debts, or who becomes insolvent or bankrupt, or who is physically or verbally abusive to credit union members or staff. Such written policy shall include the conditions and procedures under which a member may be expelled or may be suspended, in whole or in part, regarding member participation in services and other rights and benefits of membership; provided, however, that a member who has been suspended may continue to maintain a share account and may continue to vote at annual and special meetings.

North Carolina

Silent

North Dakota

Silent

Ohio

Silent

Oklahoma

Silent

Oregon

Silent

Pennsylvania

Silent

Rhode Island

Silent

South Carolina

Silent

Tennessee

Silent

Texas

Sec. 122.051. MEMBERSHIP.

(d) In this subsection, "good cause" includes the act of physically or verbally abusing a credit union member or employee. A person's membership in a credit union may be terminated or suspended for good cause or for not maintaining membership requirements, under the conditions and in accordance with the procedures provided in the bylaws. A credit union may also discontinue providing any or all services to a member for good cause without terminating or suspending the person's membership. Termination or suspension of a person's membership in the credit union or discontinuing services does not relieve the person from any outstanding obligations owed to the credit union.

Utah
Silent

Vermont

§ 31405. Suspension of services

A credit union may suspend or limit the use of services to credit union members who have caused a loss to the credit union, who have violated the membership agreement or any policy adopted by the governing body, or who are physically or verbally abusive to credit union members or staff. Members with suspended or limited services may maintain a share account and may continue to vote at annual and special membership meetings.

Virginia
Silent

Washington

RCW 31.12.372

Director may suspend any person, reason — Notice — Injunctions.

(1) The director may issue and serve an order suspending a person from further participation in any manner in the conduct of the affairs of a credit union if the director determines that such an action is necessary for the protection of the credit union or the interests of the credit union members. Any suspension order issued by the director is effective upon service and, unless the superior court of the county in which the primary place of business of the credit union is located issues a stay of the order, remains in effect and enforceable until completion of the administrative proceedings under RCW [31.12.575](#).

(2) With the suspension order, the director shall serve a notice of intent to remove or prohibit under RCW [31.12.575](#).

(3) Within ten days after the person has been served with the suspension order, the person may apply to the superior court of the county in which the primary place of business of the credit union is located for an injunction setting aside, limiting, or suspending the order pending the completion of the administrative proceedings under the notice issued under subsection (2) of this section.

(4) In the case of a violation or threatened violation of a suspension order, the director may apply to the superior court of the county in which the primary place of business of the credit union is located for an injunction to enforce the order, and the court shall issue an injunction if it determines that there has been a violation or threatened violation.

(5) For the purposes of this section, the principal place of business of a foreign or out-of-state credit union is Thurston county.

West Virginia

Silent

Wisconsin

Silent

Chapter 8

Comparative Digest of Credit Union Acts: Meetings of Members Including Special Membership Meetings

2011 Model Credit Union Act:

Section 4.45. Meetings of Members.

(1) The annual meeting and any special meetings of the members of the credit union shall be held in accordance with the credit union's bylaws.

ALTERNATIVE #1

(2) On all questions and elections brought to the membership for a vote, each member shall have one vote, regardless of the member's shares and deposits. No member may vote by proxy, but a member may vote by absentee ballot, mail ballot or other method, if the bylaws of the credit union so provide.

ALTERNATIVE #2

(2) There shall be no voting by proxy, except on the election of directors, proposals for merger, or proposals for voluntary dissolution. All voting on the election of directors shall be by ballot, but when there is no contest, written ballots need not be cast. A member may vote by absentee ballot, mail ballot or other method if the bylaws so provide.

ALTERNATIVE #3

(2) On all questions and elections brought to the membership for a vote, each member shall have one vote, regardless of the member's shares and deposits. A member may vote by proxy, absentee ballot, mail ballot or other method if the bylaws of the credit union so provide.

(3) The bylaws may establish a minimum age, not greater than eighteen years of age, as a qualification of eligibility to vote at meetings of the members or to hold office, or both.

(4) An organization having membership in the credit union, may be represented and have its vote cast by an officer of the organization or its designated agent so authorized by the organization's governing body as evidenced by a copy of such authorization provided to the credit union before the vote is cast.

Section 4.50. Special Membership Meetings

The credit union's bylaws may also prescribe the manner in which a special meeting of the members may be called by the members, or by the board of directors, or both.

**Comparative Digest of Credit Union Acts*: Membership
Provisions from State Credit Union Acts**

**Meetings of Members
Including Special Membership Meetings**

*There are 47 state credit union acts. Delaware, South Dakota and Wyoming do not have a state credit union act.

Alabama

§ 5-17-9. Fiscal year; meetings of members; amendments of bylaws

The fiscal year of all credit unions shall end December 31. Special meetings may be held in the manner indicated in the bylaws. At all meetings a member shall have but a single vote whatever his share holdings. The bylaws may be amended as provided in the bylaws. Amendments to the bylaws shall be submitted to the administrator who shall approve or disapprove the amendments within 60 days provided that the administrator shall not disapprove an amendment which corresponds with the form of bylaws which the administrator furnishes for the guidance of the incorporators of a credit union. There shall be no voting by proxy, a member other than a natural person casting a single vote through a delegated agent.

Alaska

Sec. 06.45.080. Meetings of members

The fiscal year of a credit union ends December 31. The annual meeting of a credit union shall be held within three months after the end of the fiscal year at a place its bylaws prescribe. Special meetings may be held under the bylaws. A member may not vote by proxy, but a member other than a natural person may vote through an agent designated for the purpose. A member may not have more than one vote.

Arizona

6-525. Meetings of members

A. The members of the credit union shall hold the annual meeting and any special meetings as provided in the bylaws.

B. At all such meetings a member has only one vote, irrespective of the member's shareholdings. A member may not vote by proxy, but a member may vote by absentee ballot, mail ballot or other method if the bylaws of the credit union so provide.

C. The board of directors may establish a minimum age, of not more than eighteen, as a qualification of eligibility to vote at meetings of the members or to hold office, or both. Members who are minors may vote through their parent or other legal guardian.

D. An organization having membership in the credit union may be represented and have its vote cast by one of its members or shareholders, if the person has been duly authorized by the organization.

6-526. Calling of special meetings

The bylaws shall prescribe the manner in which the members or the board of directors, or both, may call a special meeting of the members.

Arkansas

23-35-403. Meetings -- Voting

(a) The annual meeting and special meetings shall be held at the time, place, and in the manner indicated in the bylaws.

(b) At all meetings each member shall have but one (1) vote, irrespective of his shareholdings. No member may vote by proxy, but a society or association having membership in the corporation may be represented and vote by one (1) of its members or shareholders, provided that person has been duly authorized by the governing board of the society or association.

California

14804

The members of a credit union shall hold an annual meeting for the election of directors and a supervisory committee and, if provided for in its bylaws, the election of a credit committee, upon such notice and at such time and place as the bylaws provide.

14805

Special meetings of members may be held upon order of the board of directors. Special meetings of members shall be held upon the written request of 10 members or 3 percent of the membership, whichever is greater. Notice of special meetings shall be given to all members specifying the date, time, place, and purpose of the meeting.

Colorado

11-30-102. Bylaws of credit unions

The commissioner shall cause to be prepared a standard form of bylaws, consistent with this article, to be issued to all credit unions. All credit unions shall operate under the standard bylaws; except that each such credit union, subject to the approval of the commissioner, shall propose its own name, its field of membership, the number of members of its board of directors, its credit committee, its supervisory committee, provisions relative to times and places of meetings of the membership and of the board of directors, provisions relative to the conduct of elections and balloting of the credit union, and modifications of the standard bylaws

deemed appropriate by the board of directors for the operation of the individual credit union. Any and all amendments to the bylaws shall be approved by the commissioner before they become operative.

Connecticut

Sec. 36a-440a. Meetings

(a) A Connecticut credit union shall hold an annual meeting as provided in its bylaws. Special meetings of members shall be held as provided in the bylaws and shall be called by the governing board at the request of a majority of the governing board, at the written request of the supervisory committee, or ten per cent of the members of the credit union or such lesser percentage of such members as provided in the bylaws.

(b) Notice of each annual or special meeting shall be given to each member in writing by the secretary at least ten days prior to the annual or special meeting. In the case of a special meeting, the notice shall clearly state the purpose of the meeting and the matters that will be considered.

(c) (1) Each member in good standing shall have a single vote at all meetings notwithstanding the number of shares or number of accounts that such member holds.

(2) A member may not vote or hold office if the member is less than eighteen years of age.

(3) Unless provided otherwise in the bylaws, a member entitled to vote may vote in person, by proxy or by mail ballot.

Florida

657.024 Membership meetings

(1) The members shall receive timely notice of the annual meeting and any special meetings of the members, which shall be held at the time, place, and in the manner provided in the bylaws.

(2) Each member shall have one vote. Ballots may be distributed in advance to the entire membership as prescribed in the bylaws. No person shall exercise the vote of any other member.

(3) Any organization, association, or corporation having membership may be represented and have its vote cast by its delegated agent.

(4) The members shall elect the board of directors and other committees prescribed in the bylaws and transact such other business as the bylaws permit.

Georgia

7-1-630. Initial subscribers; contents and filing of articles; other required filings; fee for investigation; selection of initial directors

(e) The subscriber shall file with the department two copies of proposed bylaws setting forth the following:

(1) The date of the annual meeting, the manner of conducting the same, the number of members constituting a quorum and regulations as to voting, and the manner of notification of the meeting, which shall comply with Code Section 7-1-6, except that, if the credit union maintains an office and the board of directors so determines, notice of the annual meeting or of any special meeting may be given by posting such notice in a conspicuous place in the office of the credit union at least ten days prior to such meeting;

7-1-661. Fiscal year; special meetings of members; voting and proxies

The credit union fiscal year shall end at the close of business on December 31. Special meetings of the members may be held by order of the directors or on written request of 10 percent of the members. At all meetings a member shall have but one vote. No member may vote by proxy; but a society, association, partnership, or corporation having membership in the credit union may be represented by one person duly authorized by said society, association, partnership, or corporation to represent it. At any meeting the members may decide on any matter of interest to the credit union and may overrule the board of directors, provided the notice of the meeting shall have stated the question to be considered.

Hawaii

§412:10-110 Membership meetings

(a) A credit union shall hold annual and special meetings of members when and as required by its bylaws. The bylaws shall provide that members be given reasonable notice of a meeting. A quorum for conducting any business at any meeting shall be fifteen members, and when not inconsistent with the other provisions of this article, a majority of all votes cast at any duly constituted meeting shall determine any question.

(b) At any meeting the members may:

- (1) Decide any question properly raised at the meeting;
- (2) Amend the bylaws if the notice of meeting has specified the questions to be considered; or
- (3) Act on any matters as provided by the bylaws.

Idaho

26-2113. Meetings

The annual meeting and special meetings shall be held at the time and in the manner indicated in the bylaws. At all such meetings the member shall have but one (1) vote, irrespective of his shareholdings. No member may vote by proxy, but a society or association having membership in the credit union may be represented and vote by one (1) of its members or shareholders, providing such person has been duly authorized by the governing board of said society or association to represent it.

Illinois

(205 ILCS 305/19)

(from Ch. 17, par. 4420), Sec. 19. Meeting of members

(1) The annual meeting shall be held each year during the months of January, February or March or such other month as may be approved by the Department. The meeting shall be held at the time, place and in the manner set forth in the bylaws. Any special meetings of the members of the credit union shall be held at the time, place and in the manner set forth in the bylaws. Unless otherwise set forth in this Act, quorum requirements for meetings of members shall be established by a credit union in its bylaws. Notice of all meetings must be given by the secretary of the credit union at least 7 days before the date of such meeting, either by handing a written or printed notice to each member of the credit union, by mailing the notice to the member at his address as listed on the books and records of the credit union, or by posting a notice of the meeting in three conspicuous places, including the office of the credit union.

(2) On all questions and at all elections, except election of directors, each member has one vote regardless of the number of his shares. There shall be no voting by proxy except on the election of directors, proposals for merger or voluntary dissolution. All voting on the election of directors shall be by ballot, but when there is no contest, written ballots need not be cast. The record date to be used for the purpose of determining which members are entitled to notice of or to vote at any meeting of members, may be fixed in advance by the directors on a date not more than 90 days nor less than 10 days prior to the date of the meeting. If no record date is fixed by the directors, the first day on which notice of the meeting is given, mailed or posted is the record date.

(3) Regardless of the number of shares owned by a society, association, club, partnership, other credit union or corporation, having membership in the credit union, it shall be entitled to only one vote and it may be represented and have its vote cast by its designated agent acting on its behalf pursuant to a resolution adopted by the organization's board of directors or similar governing authority; provided that the credit union shall obtain a certified copy of such resolution before such vote may be cast.

(4) A member may revoke a proxy by delivery to the credit union of a written statement to that effect, by execution of a subsequently dated proxy, or by attendance at a meeting and voting in person.

Indiana

IC 28-7-1-1, Fiscal year; membership meetings; voting rights

Sec. 14. A credit union fiscal year shall end at the close of business on the thirty-first day of December. Special meetings of the members of any credit union may be convened by order of the board of directors or the supervisory committee, or by a petition of at least ten per cent (10%) of the members. A member shall have one (1) vote. The members may decide on any matter concerning the credit union. The members may overrule the directors, and, by a three-fourths (3/4) vote of those present, may amend the bylaws if the notice of the meeting stated the proposed amendment.

IC 28-7-1-4, Bylaws; contents

Sec. 4. (a) The bylaws, as provided in section 3 of this chapter, with acknowledgment of their adoption by the incorporators or board of directors, must provide at least the following: (1) That the board of directors shall annually establish a date for the annual meeting. The bylaws shall prescribe the manner of notifying the members of meetings, the manner of conducting the meetings, and the number of members constituting a quorum, which shall in no case be less than fifteen (15) members.

Iowa

533.203 Fiscal year — membership meetings — voting by membership — notice

1. The fiscal year of all state credit unions shall end December 31.
2. Annual meetings shall be held, and special meetings may be held, in the manner indicated in the bylaws.
 - a. A member shall have one vote regardless of the number of or class of shares held by the member.
 - b. There shall be no voting by proxy.
 - c. A member other than a natural person may cast a single vote through a delegated agent.
3.
 - a. When a vote of the membership is required under the provisions of this chapter, the board of directors, by a favorable vote of the majority of the board, shall select one of the following methods for conducting that vote, unless a procedure for that vote is otherwise specified:
 - (1) The favorable vote of a majority of the members present at a meeting, if that number constitutes a quorum and if the proposed vote was contained in the notice of the meeting.
 - (2) By a majority vote of members voting by mailed or electronic ballot according to procedures specified by rule of the superintendent or as specified in the bylaws.
 - (3) A combination of procedures as specified in subparagraphs (1) and (2), according to procedures specified by rule of the superintendent or as specified in the bylaws.
 - b. Notice shall be given to members of the results of the vote. Ballots of members shall be preserved for at least sixty days after the results are tallied and notice given to members, and until any challenge is resolved.
4. Votes of the membership conducted in accordance with this chapter shall ensure that votes remain confidential and secret from all interested parties, and that each member is only allowed to vote once.
5. When notice to members is required under the provisions of this chapter, the board of directors may satisfy the notice requirement by sending the notice electronically to those members who have exercised an option to receive notices electronically.
6. Credit unions may send account statements and other communications electronically to those members who have exercised an option to receive communications electronically.

Kansas

17-2201

Organization of credit unions; articles of incorporation and bylaws; approval of administrator; application of corporation code; filing fees

(b) At the time of filing the articles of incorporation with the administrator, the organizers shall submit, in duplicate, sets of bylaws which shall provide:

(1) The date of the first annual meeting, the manner in which subsequent annual meeting dates shall be determined, the manner of notification of meetings and conducting the meetings, the number of members constituting a quorum and regulations as to voting.

17-2207

Fiscal year; meetings; quorum; proxies; absentee or mail ballot

The credit union fiscal year shall end at the close of business on December 31. Special meetings of the members may be held by order of the board of directors or the supervisory committee and shall be held on request of 10% of the members. At all meetings each member shall have but one vote, irrespective of the number of shares held. The number of members constituting a quorum for any meeting shall be as specified in the bylaws. No member may vote by proxy, but a member may vote by absentee or mail ballot if the bylaws of the credit union so allow. A society, association, copartnership or corporation having membership in a credit union may be represented by one person, duly authorized by the society, association, copartnership, or corporation to represent it. At any meeting the members may decide on any matter of interest to the credit union, may overrule the directors, and, by a 3/4 vote of those present, may amend the bylaws, providing the notice of the meeting shall have stated the question to be considered.

Kentucky

286.6-145 Annual meeting

(1) The annual meeting and any special meetings of the members of the credit union shall be held at the time, place, and in the manner indicated by the bylaws.

(2) At all such meetings a member shall have but one (1) vote, irrespective of his shareholding. No member may vote by proxy, but a member may vote by absentee ballot if the bylaws of the credit union so provide.

(3) A society, association, copartnership or corporation having membership in the credit union may be represented and have its vote cast by one (1) of its members or shareholders, provided such person has been so authorized by the organization's governing body.

286.6-305 Special meetings of members

The supervisory committee by a majority vote may call a special meeting of the members to consider any violation of this subtitle, the credit union's charter or bylaws, or any practice of the credit union deemed by the supervisory committee to be unsafe or unauthorized.

Louisiana

§641. Organization; act of incorporation

(4) The following may be provided for in the act of incorporation or in the bylaws approved by the commissioner:

(b) The date of the annual meeting, which may be in any month of the year; the manner of notification of meetings and conducting the same; the number of members constituting a quorum; and regulations as to voting.

§647. Fiscal year; meetings; regulations as to voting

B. Special meetings of the members of the credit union may be held by order of the board of directors or of the supervisory committee, and shall be held on request of ten percent of the members.

C. At all meetings of the members of the credit union, a member shall have but one vote, irrespective of the number of shares held. The credit union bylaws may prescribe the minimum age for a member to vote or to hold office. No shareholder may vote by proxy, but a society, association, copartnership, or corporation having membership in the credit union may be represented by one person, duly authorized to represent it.

D. At any membership meeting, the members may decide on any matter of interest to the credit union that is not inconsistent with the law, the credit union charter, and bylaws.

Maine

§846. Meetings of the members

1. Time and notice. The annual meeting of the members of a credit union must be held at such time and place as the board of directors may determine, but not later than 180 days after the close of the fiscal year. Special meetings may be called at any time by a majority of the directors, and must be called by the clerk upon written request of 25 members or 5% of the total members entitled to vote as of the date of request, whichever number is greater.

Notwithstanding this section, the maximum number of members required to call a special meeting may not exceed 500. Notice of all meetings of the members must be given in the manner prescribed in the bylaws.

2. Voting. A member may not be entitled to vote by proxy, except in a vote for dissolution or merger, or have more than one vote; and a member under the age of 18 may be entitled to vote, subject to conditions prescribed in the bylaws. A fraternal organization, voluntary association, partnership or corporation having membership in a credit union may cast one vote at any of the meetings of the credit union by a duly delegated agent.

Maryland

§ 6-317. Meetings of members; voting

(a) Time, place, and notice of meetings. --

(1) The annual meeting of the members shall be held as provided by the bylaws and at the time and place that the board determines.

(2) Special meetings of members shall be held:

(i) On order of the directors or the supervisory committee; or

(ii) At the request of 10 percent of the members.

(3) Notice of each meeting shall be given as the bylaws provide.

(b) Voting. --

(1) Each member in good standing has one vote, notwithstanding the number of shares that the member holds.

(2) A member may not vote by proxy. However, a member that is not an individual may be represented by an individual authorized in writing by the member to represent it.

(3) A member may not vote or hold office if the member is less than 18 years of age.

(c) Business to be considered at meetings. --

(1) At any meeting of the members, the members may:

(i) Decide any question of interest to the credit union;

(ii) Except for any instance where, in the judgment of the board, it would result in damage to the credit union's financial soundness or would otherwise force the board to abrogate their fiduciary responsibility, overrule any decision of the board; and

(iii) Amend the bylaws or articles of incorporation as provided in § 6-320 of this subtitle.

(2) At the annual meeting of the members, the members shall elect directors, unless they are elected as provided in § 6-329 of this subtitle or as provided in the bylaws for mail balloting.

Massachusetts

Title XXII, Chapter 171, Section 11, Annual meetings; special meetings; notice; voting

The annual meeting of the corporation shall be held at such time and place as the by-laws prescribe but not later than one hundred and twenty days after the close of the fiscal year. The fiscal year of every credit union shall end at the close of business on the last business day of December. Special meetings may be called at any time by a majority of the directors and shall be called by the clerk upon written application of ten or more members entitled to vote.

Notices of all meetings of the corporation and of all meetings of the board of directors and of committees shall be given in the manner prescribed in the by-laws; provided, however, that all meetings of the shareholders and depositors shall be posted in a conspicuous place, for at least seven days prior to the meeting, within each office or branch office of said corporation.

A member shall not have more than 1 vote and, after a credit union has been incorporated for a year, no member shall be entitled to vote or be a candidate for director until he has been a member for more than 3 months. An organization member or persons who are parties to a joint account may cast 1 vote on the share or deposit account at any of its meetings by a duly delegated agent or a party to the joint account. A minor shall not have the right to vote. A member may vote in person or by mail. Each credit union shall set forth in its by-laws the

method of voting to be used. The voting methods shall be subject to conditions and limitations as the commissioner may establish.

The members at each annual meeting shall elect directors, fix the maximum amount to be loaned to any one member, vote on any proposed amendment to the by-laws, approve expenses of the auditing and credit committees not otherwise approved at a special meeting and act on such matters as required under law.

Michigan

490.351 Annual meeting; special meeting; voting; removal of member

(1) A domestic credit union shall hold an annual meeting of the members each calendar year in the manner indicated in the bylaws. The members shall elect the credit union board at the annual meeting.

(2) A domestic credit union may hold a special meeting of the members in the manner indicated in the bylaws.

(3) At any meeting of the members, a member with 1 or more shares has 1 vote on any matter submitted to the members. A member may not vote by proxy. A member who is not a natural person may vote through an agent with authority to vote on that member's behalf.

(4) The members of a domestic credit union may remove a member of the credit union board or a credit or supervisory committee member elected by the members of the domestic credit union from office but only at a special meeting of the members called for that purpose.

Minnesota

52.07 FISCAL YEAR; MEETINGS; VOTING

The fiscal year of all credit unions shall end December 31. General and special meetings may be held in the manner and for the purposes indicated in the bylaws. At least ten days before any regular meeting, and at least seven days before any special meeting, written notice shall be mailed or handed to each member, and in the case of a special meeting, the notice shall clearly state the purpose of the meeting and what matters will be considered thereat. No member shall be eligible to vote at any meeting or to hold any office unless the member owns at least one share of the credit union which is fully paid. At all meetings a member shall have but a single vote, whatever the member's share holdings. Upon resolution of the board of directors, credit union members shall be authorized to vote by mail for election of directors, credit committee and supervisory members and amendments to bylaws at annual and special meetings. There shall be no voting by proxy. Any firm, society or corporation having a membership in the credit union and entitled to vote may cast its vote by one person upon presentation of written authority of the firm, society or corporation.

52.08 ANNUAL MEETING

At the annual meeting the credit union shall elect a board of directors of not less than five members and may elect a credit committee of not less than three members, all to hold office

for the terms provided in the bylaws and until successors qualify. The credit union must have a supervisory committee. Pursuant to its bylaws, the credit union may elect a supervisory committee of not less than three members nor more than five members, or the board of directors may appoint the supervisory committee. Some or all of the terms of office may be staggered, as provided in the bylaws. A record of the names and addresses of the members of the board and committees and the officers shall be filed with the commissioner of commerce within ten days of their election. A full-time manager of a credit union may be a director of a credit union operating under this chapter.

The organization meeting shall be the first annual meeting.

Mississippi

SEC. 81-13-5. Filing, contents, and amendment of bylaws

(1) Before making loans or receiving deposits, the credit union shall file with the Department of Banking and Consumer Finance a set of its bylaws with certificate of adoption which in addition to such other provisions as may be contained therein shall show:

(a) The date of the annual meeting, which will be before March 31 of each year, the manner of notification of meetings, the number of members constituting a quorum, and regulations as to voting.

SEC. 81-13-69. Method of voting by members; special meetings; number of votes per member; proxies; matters subject to vote

(1) The bylaws may provide for the taking of referendum votes by the membership upon questions coming before the membership; such voting to be by mail, or otherwise in writing or a combination of viva voce voting and writing.

(2) Special meetings of the members may be held by order of the board of directors or the supervisory committee, and shall be held on request of ten percent (10%) of the members. At all meetings a member shall have but one (1) vote, irrespective of the number of shares held. No shareholder may vote by proxy, but a society, association, copartnership or corporation having membership in the credit union may be represented and voted by one (1) person duly authorized by such society, association, copartnership or corporation to represent it. Provided that the notice of the meeting has stated the question to be considered, the members may decide on any matter of interest to the corporation, may overrule the directors by a three-fourths (3/4) vote of those present, and may amend the bylaws.

Missouri

Meetings and special meetings, voting--proxies, when--action at meeting

370.170. 1. Special meetings of the members may be held by order of the board of directors, or the supervisory committee, and shall be held on request of ten percent of the members.

2. At all meetings a member shall have but one vote.

3. No member may vote by proxy, but a society, association, copartnership, or corporation, having membership in a credit union, may be represented by one person, previously authorized by such society, association, copartnership or corporation to transact business with the credit union. The bylaws of a credit union, when approved by the membership, may provide for mail ballots for the election of officers.

4. By majority vote of those present at any meeting, the members may decide on any matter of interest to the credit union, amend the bylaws relating to qualifications for membership, the election or appointment of the supervisory committee, determine the requirements for a credit committee and if such committee should be elected or appointed, and overrule the directors on any matter concerning guidelines for future plans and objectives, provided the notice of the meeting has stated any such matter to be considered upon a written request of any member, except that the members cannot cause the credit union to breach or abrogate any legally binding obligation or contract previously executed by the board.

Montana

32-3-310. Meetings of members

(1) The annual meeting and any special meetings of the members of the credit union must be held at the time, place, and in the manner indicated by the bylaws.

(2) At all meetings a member has only one vote, irrespective of the member's shareholdings. A member may not vote by proxy, but a member may vote by absentee ballot or mail ballot if the bylaws of the credit union so provide.

(3) A society, association, partnership, or corporation having membership in the credit union may be represented and have its vote cast by one of its members or shareholders, provided that the person has been fully authorized by the organization's governing body.

(4) The board of directors may establish a minimum age, not greater than 18 years of age, as a qualification of eligibility to vote at meetings of the members or to hold office, or both.

32-3-419. Calling of special meeting

The supervisory committee by a majority vote may call a special meeting of the members to consider any violation of this chapter, the credit union's charter or bylaws, or any practice of the credit union deemed by the supervisory committee to be unsafe or unauthorized.

Nebraska

21-1749. Meetings

The annual meeting and any special meeting of the members of the credit union shall be held in accordance with the bylaws. A special meeting of the members of the credit union may be called by the members or by the board of directors as provided in the bylaws. A credit union shall give notice of the time and place of any meeting of its members. In the case of a special meeting, the notice of such special meeting shall state the purpose of the meeting and the notice shall be given at least ten calendar days prior to the date of such special meeting

Nevada

NRS 678.550 Meetings of members

1. The annual meeting and any special meetings of the members of the credit union shall be held at the time and place and in the manner indicated in the bylaws.
2. A member may not vote by proxy, but a society, association, copartnership or corporation having membership in the credit union may be represented and vote by one of its members or shareholders if such person has been fully authorized by the governing body of the society, association, copartnership or corporation to represent it.
3. At all meetings a member has but one vote irrespective of his or her share holdings.

New Hampshire

394-B:8 Annual Meeting

The annual meetings of the corporation shall be held at such time and place as the bylaws prescribe, but must be held within 90 days after the close of the fiscal year.

394-B:9 Special Meetings

Special meetings of members may be called by a majority of the directors, or of the supervisory committee, and shall be called by the clerk upon written application of 10 percent or 100, whichever is less, of the members entitled to vote.

New Jersey

17:13-93. Meetings; vote of members; quorum

- a. The annual meeting of the members of the credit union shall be held on a date to be designated by the board for the election of directors and committee members and the transaction of any other business as may properly come before the meeting.
- b. Regular and special meetings may be held in the manner prescribed in the bylaws.
- c. At all of these meetings a member shall have one vote. No member may vote by proxy, but a member may vote by absentee ballot if the bylaws of the credit union so provide.
- d. The bylaws shall prescribe the number of members which constitute a quorum, but less than a quorum may adjourn the meeting from time to time.
- e. A society, association, copartnership or corporation, having membership in the credit union, may be represented and have its vote cast by one of its members or shareholders, if the person has been so authorized by resolution of the organization's board of directors.

New Mexico

58-11-26. Meetings of members

- A. The annual meeting and any special meetings of the members shall be held in accordance with the bylaws.
- B. At all meetings a member shall have but one vote, irrespective of his shareholdings. No member may vote by proxy, but a member may vote by absentee ballot, mail or other method if the bylaws of the credit union so provide.
- C. An organization having membership in a credit union, may be represented and have its vote cast by one of its members or shareholders, provided that person has been so authorized by the organization's governing body.

New York

§ 466. Meetings of shareholders; voting

1. At all meetings of shareholders of every credit union each shareholder shall have one vote irrespective of the number of shares which he holds; provided, however, after a credit union has been in existence for a period of more than one year, only a person who shall have been a shareholder of such credit union for ninety days prior to the date of any such meeting shall be entitled to vote. Every member entitled to vote at a meeting of members of the credit union may authorize another person or persons to act for him by proxy at such meeting or, if the bylaws so provide, may vote by mail in accordance with the provisions of the bylaws. Every proxy must be signed by the member or his attorney-in-fact. No proxy shall be valid except for the meeting specified therein and adjournments thereof. Every proxy shall be revocable at the pleasure of the member executing it. The authority of the holder of a proxy to act shall not be revoked by the incompetence or death of the member who executed the proxy unless, before the authority is exercised, written notice of an adjudication of such incompetence or of such death is received by the officer of the credit union responsible for maintaining the list of members. A shareholder may vote by proxy at a meeting called to vote upon voluntary dissolution. The bylaws may prohibit or further limit proxies for members and their duration. No officer, director, supervisory committee member, credit committee member, loan officer, clerk, teller or bookkeeper of the credit union shall act as such proxy. No director, supervisory committee member, credit committee member, or officer of a credit union shall be eligible to act as an inspector of an election of directors, supervisory committee members and credit committee members, at any meeting of members of the credit union.
2. Complete minutes of all shareholders' meetings shall be kept which shall include a record of the exact number of members present together with a count of votes cast for the election of all directors and committee members.
3. Upon the petition of any shareholder aggrieved by an election, and upon notice to the persons declared elected, the credit union and such other persons as the court may direct, the supreme court at a special term held within the judicial district where the office of the credit union is located shall forthwith hear the proofs and allegations of the parties, and confirm the election, order a new election or take such other action as justice may require.

North Carolina

§ 54-137. General and special meetings; how called

In its bylaws each association shall provide for one or more regular meetings annually. The board of directors shall have the right to call a special meeting at any time, and ten percent (10%) of the members or stockholders may file a petition stating the specific business to be brought before the association, and demand a special meeting at any time. Such meeting must thereupon be called by the directors. Notice of all meetings, together with a statement of the purposes thereof, shall be mailed to each member at least 10 days prior to the meeting: Provided, however, that the bylaws may require instead that such notice may be given by publication in a newspaper of general circulation, published at the principal place of business of the association.

North Dakota

6-06-10. General and special meetings - Notice - Quorum - Voting privileges

General and special meetings may be held in the manner and for the purposes indicated in the bylaws of the credit union. Ten days before any regular or special meeting, written notice thereof must be mailed or sent by an electronic communication to each member and, in the case of a special meeting, the notice must state clearly the purpose of the meeting and what matters will be considered thereat. The members present at a general or special meeting constitute a quorum for the transaction of the business of the credit union. At all meetings, a member has but a single vote, whatever the member's shareholdings. There is no voting by proxy, but any firm, society, or corporation having a membership in the credit union may cast its vote by one person upon presentation by that person to the credit union of written authority from such firm, society, or corporation. The credit union may allow members to vote by mail ballot or electronic ballot for directors and committee members.

Ohio

1733.07 Forming a credit union

Seven or more persons who have a common bond of association, and a majority of whom are residents of the state, may form a credit union by:

(B) Executing regulations for the government of the credit union, the conduct of its affairs, and the management of its property, consistent with the law and the articles, which may include, without limiting the generality of such authority, provisions with respect to:

(1) The time and place for holding, the manner of and authority for calling, giving notice of, and conducting, and the requirements of a quorum for, meetings of members;

1733.12 Annual meeting

(A) An annual meeting of members for the election of directors and the consideration of reports to be presented before such meeting shall be held on the first Friday in March of each year unless another date is provided for in the articles or regulations. When the annual meeting

is not held or directors are not elected thereat, they may be elected at a special meeting called for that purpose. Such special meeting shall be called as promptly as possible but in no event later than sixty days after the regular date scheduled for the annual meeting unless the superintendent of credit unions has consented to some later date.

(B) Meetings of members shall be called and conducted in the manner and at the time and place stated in the regulations.

Oklahoma

§ 2009. Fiscal year - Meetings - Voting

The fiscal year of all credit unions shall end December thirty-first. The annual meeting of each credit union shall be held at such time and at such place as its bylaws shall prescribe. Special meetings may be held in the manner indicated in the bylaws. No member shall be entitled to vote by proxy but a member other than a natural person may vote through an agent designated for that purpose. Irrespective of the number of shares held by any one member, no one member shall have more than one vote.

Oregon

723.196 Meeting of members; mail or electronic ballots

(1) The annual meeting and any special meetings of the members of the credit union shall be held at the time and place and in the manner indicated by the bylaws.

(2) At meetings described in subsection (1) of this section, a member has one vote, irrespective of the amount of that member's shareholdings. A member may not vote by proxy, but a member may vote by mail or electronic ballot if allowed by the bylaws of the credit union. The board of directors shall establish procedures to safeguard the confidentiality and integrity of the voting process. As used in this subsection, "electronic" has the meaning given that term in ORS 84.004.

(3) The board may establish a minimum age as a qualification of eligibility to vote at meetings of the members.

Pennsylvania

§ 702. Meetings

The annual meeting shall be held at the time, place and in the manner indicated in the bylaws. Special meetings may also be held in the manner provided in the bylaws.

Rhode Island

Silent

South Carolina

SECTION 34-26-570. Annual and other meetings of credit union membership

(1) The annual meeting and any special meetings of the members of the credit union shall be held in accordance with the bylaws.

(2) At all such meetings all natural members shall have one vote, irrespective of the member's share holdings. No member may vote by proxy, but a member may vote by absentee ballot, mail, or other method if the bylaws of the credit union so provide. Accounts held by organizations must be considered nonvoting members.

(3) The board of directors may establish a minimum age, not greater than eighteen years of age, as a qualification of eligibility to vote at meetings of the members or to hold office, or both.

SECTION 34-26-580. Special meetings; grounds and proceeding

(1) The supervisory committee by a majority vote may call a special meeting of the members to consider any violation of this chapter, the credit union's articles of incorporation or bylaws, or any practice of the credit union deemed by the supervisory committee to be unsafe or unauthorized.

(2) The bylaws may also prescribe the manner in which a special meeting of the members may be called by the members or by the board of directors, or both.

Tennessee

45-4-102. Submission of bylaws and amendments to bylaws -- Provisions

(a) At the time of applying for a charter of incorporation, the incorporators of the credit union shall submit, in duplicate, sets of bylaws with the acknowledgment of their adoption to the commissioner, which shall provide:

(1) The date of the annual meeting, which shall be at any time in January, February or March of each year, the manner of notification of meetings, conducting the same, the number of members constituting a quorum, and regulations as to voting;

Texas

Sec. 122.052. MEETINGS OF MEMBERS; VOTING

(a) Members of a credit union shall hold an annual or special meeting at the time and place and in the manner provided by the bylaws.

(b) In determining a question requiring action by the members, each member may cast only one vote, regardless of the number of shares the member holds.

(c) The board may authorize voting by mail or by electronic means. Mail and electronic balloting shall be conducted in accordance with commission rules.

- (d) A member that is not an organization may not vote by proxy. A member that is an organization may be represented by and vote through a designated representative who is authorized, in writing, by the organization's governing body to represent the organization.
- (e) The credit union's bylaws may establish a minimum age requirement to vote.

Utah

7-9-14. Meetings

- (1) The annual meeting of the credit union shall be held at such time and place as the bylaws prescribe.
- (2) Special meetings may be held as the bylaws prescribe.
- (3) Notice of all meetings of the credit union shall be given as the bylaws prescribe.
- (4) In the absence of any provisions in the bylaws, special meetings of the members of the credit union may be called by a majority of the members of the corporation.

Vermont

§ 31406. Meetings of members

- (a) The annual meeting and any special meetings of the members of the credit union shall be held in accordance with the bylaws.
- (b) On all questions and elections brought to the membership for a vote, each member shall have one vote, regardless of the member's shareholdings. No member may vote by proxy, but a member may vote by early voter absentee ballot, mail ballot, or other method if the bylaws of the credit union so provide.
- (c) The bylaws may establish a minimum age, not greater than the age of majority as defined in section 173 of Title 1, as a qualification of eligibility to vote at meetings of the members. A minor, as defined in section 173 of Title 1, may not be a voting member of the governing body, the supervisory committee, or any other appointed or elected committee.
- (d) An organization having membership in the credit union may be represented and have its vote cast by an officer of the organization or its designated agent so authorized by the organization's governing body as evidenced by a certified copy of such authorization provided to the credit union before the vote is cast.

§ 31407. Special membership meetings

- (a) The supervisory committee by a majority vote may call a special meeting of the members to consider any violation of this part, any other law or regulation applicable to the credit union, the credit union's articles of incorporation or bylaws, or any practice of the credit union deemed unsafe or unauthorized by the supervisory committee.
- (b) The bylaws may also prescribe the manner in which a special meeting of the members may be called by the members or by the governing body, or both.

§ 31408. Notice to members of annual and special meeting

(a) Notice of any annual or special meeting shall be given in accordance with the requirements of the Vermont Nonprofit Corporation Act, Title 11B, Vermont Statutes Annotated. Notice may be given electronically if the member has specifically requested or consented to electronic notification of meetings.

(b) Notice of any special meeting shall state the purpose for which it is to be held, and no business other than that related to the purpose set forth in the notice shall be transacted at the special meeting.

Virginia

§ 6.2-1329. Membership meetings; voting

A. The annual meeting and any special meeting of the credit union shall be held in accordance with the bylaws.

B. At all meetings a member shall have but one vote. Except as hereinafter provided, no member may vote by proxy, but a member may vote by absentee ballot, mail, or other method if the bylaws so provide. An entity having membership in the credit union may be represented by one person authorized by the entity to so represent it. At any meeting called for the purpose of amending the articles of incorporation or dissolving the credit union any member may vote by proxy.

C. The board of directors may establish a minimum age, not greater than 18 years of age, as a qualification of eligibility to vote at meetings of the members, to hold office, or both.

§ 6.2-1330. Special meetings

A. The supervisory committee by a majority vote may call a meeting of the members to consider any violation of this chapter, the credit union's articles of incorporation or bylaws, or any practice of the credit union deemed by the supervisory committee to be unsafe or unauthorized.

B. The bylaws may also prescribe the manner in which a special meeting of the members may be called by the members or by the board of directors.

Washington

RCW 31.12.185 Annual membership meetings

(1) A credit union's annual membership meeting shall be held at such time and place as the bylaws prescribe, and shall be conducted according to the rules of procedure approved by the board.

(2) Notice of the annual membership meetings of a credit union shall be given as provided in the bylaws of the credit union.

RCW 31.12.195

Special membership meetings

(1) A special membership meeting of a credit union may be called by a majority of the board, a majority vote of the supervisory committee, or upon written application of at least ten percent or two thousand of the members of a credit union, whichever is less.

(2) A request for a special membership meeting of a credit union shall be in writing and shall state specifically the purpose or purposes for which the meeting is called. At this meeting, only those agenda items detailed in the written request may be considered. If the special membership meeting is being called for the removal of one or more directors, the request shall state the name of the director or directors whose removal is sought.

(3) Upon receipt of a request for a special membership meeting, the secretary of the credit union shall designate the time and place at which the special membership meeting will be held. The designated place of the meeting must be a reasonable location within the county in which the principal place of business of the credit union is located, unless provided otherwise by the bylaws. The designated time of the membership meeting must be no sooner than twenty, and no later than thirty days after the request is received by the secretary.

The secretary shall give notice of the meeting within ten days of receipt of the request or within such other reasonable time period as may be provided by the bylaws. The notice must include the purpose or purposes for which the meeting is called, as provided in the bylaws. If the special membership meeting is being called for the removal of one or more directors, the notice must state the name of the director or directors whose removal is sought.

(4) Except as provided in this subsection, the chairperson of the board shall preside over special membership meetings. If the purpose of the special meeting includes the proposed removal of the chairperson, the next highest ranking board officer whose removal is not sought shall preside over the special meeting. If the removal of all board officers is sought, the chairperson of the supervisory committee shall preside over the special meeting.

(5) Special membership meetings shall be conducted according to the rules of procedure approved by the board.

West Virginia

§31C-4-6. Meetings of members

(a) The annual meeting and any special meetings of the members of the credit union shall be held in accordance with the bylaws.

(b) At all such meetings a member shall have but one vote, irrespective of the member's shareholdings. No member may vote by proxy, but a member may vote by absentee ballot, mail or other method if the bylaws of the credit union so provide.

(c) The credit union's board of directors may establish a minimum age, not greater than eighteen years of age, as a qualification of eligibility to vote at meetings of the members or to hold office, or both.

(d) An organization having membership in the credit union, may be represented and have its vote cast by one of its members or shareholders, provided such person has been so authorized by the organization's governing body.

§31C-4-7. Calling of special meeting

(a) The supervisory committee by a majority vote may call a special meeting of the members to consider any violation of this chapter, the credit union's articles of incorporation or bylaws, or any practice of the credit union deemed by the supervisory committee to be unsafe or unauthorized; and may call a special meeting to consider the suspension or removal of any officer or director of the credit union as provided for in this chapter.

(b) The bylaws may also prescribe the manner in which a special meeting of the members may be called by the members or by the credit union's board of directors or both.

(c) The commissioner may also require the directors of a credit union to call a special meeting of the members pursuant to his or her authority under section nine, article two, chapter thirty-one-a of this code.

Wisconsin

186.06 Membership meetings, fiscal year

(1) Manner of meeting. The annual meeting and any special meeting of the members of a credit union shall be held in the manner provided by the bylaws.

(1m) Voting. At a meeting, each member shall have one vote irrespective of the member's share total. Except as provided in sub. (2), a member may not vote by proxy.

(2) Representation. An organization, association or corporation member of a credit union may be represented by and have its vote cast by an authorized representative of its members or owners.

(2m) Voting eligibility. The bylaws shall prescribe the terms by which a member is eligible to vote at a meeting.

(3) Meeting issues.

(a) At any meeting, if the notice so indicates, a majority of the members present may direct the board of directors to do any of the following:

1. Consider implementing any policy proposed by the members.
2. Reconsider any decision of the directors, officers or committees.

(b) At any meeting, if the notice so indicates, the members may, by a three-fourths vote of the members present, do any of the following:

1. Remove any member of the board of directors.
2. Amend the bylaws.

APPENDIX A

Membership and Organizations that Qualify for Credit Union Membership*

	AL	AK	AZ	AR	CA	CO	CT	FL	GA	HI	ID	IL	IN	IA	KS	KY	LA	ME	MD	MA	MI	MN	MS	MO	
Members:																									
Includes incorporators	•	•	•	•		•	•		•		•	•			•	•	•					•	•	•	
Members must be elected	•	•				•									•	•	•					•	•	•	
Members must be accepted per bylaws or articles of incorporation			•	•						•	•	•				•									
Members must own at least one share	•	•		•	•			•	•	•	•	•		•	•	•	•		•	•	•	•		•	
Members must pay an entrance/membership fee	•	•	•	•	•	•		•	•	•	•	•				•	•					•	•	•	
Members must have a common bond							•	•		•	•	•	•			•	•	•					•	•	
Includes family members				•		•	•						•		•				•			•		•	
Includes organizations with a common bond with members	•		•			•	•		•	•	•	•	•		•		•		•		•		•		
Includes organizations with a common bond	•	•		•		•			•	•				•	•			•						•	
Includes organizations that provide services to members			•		•					•															
Includes other credit unions			•	•		•				•	•												•		
Includes companies in which the credit union invests					•																				
	MT	NE	NV	NH	NJ	NM	NY	NC	ND	OH	OK	OR	PA	RI	SC	TN	TX	UT	VT	VA	WA	WV	WI		
Includes incorporators	•	•	•		•			•	•		•	•				•	•		•	•					
Members must be elected		•								•	•	•				•									
Members must be accepted per bylaws or articles of incorporation	•					•		•												•		•			
Members must own at least one share	•	•	•		•	•		•	•	•	•	•			•	•	•	•		•		•			
Members must pay an entrance/membership fee	•	•	•		•	•		•	•		•	•			•	•	•	•		•		•			
Members must have a common bond	•	•	•		•	•	•	•	•	•	•	•			•	•	•	•	•	•	•	•			
Includes family members	•		•		•	•	•				•	•			•			•	•	•		•			
Includes organizations with a common bond with members	•				•	•	•	•	•	•			•		•				•	•	•	•			
Includes organizations with a common bond	•	•			•		•	•			•	•			•	•			•	•			•		
Includes organizations that provide services to members						•									•								•		
Includes other credit unions															•		•								
Includes companies in which the credit union invests																									

* There are 47 state credit union acts. Delaware, South Dakota, and Wyoming do not have a state credit union act.

APPENDIX B

Service to Low Income Consumers*

Provides for:	AL	AK	AZ	AR	CA	CO	CT	FL	GA	HI	ID	IL	IN	IA	KS	KY	LA	ME	MD	MA	MI	MN	MS	MO
Service to low income consumers												•			•			•		•				
	MT	NE	NV	NH	NJ	NM	NY	NC	ND	OH	OK	OR	PA	RI	SC	TN	TX	UT	VT	VA	WA	WV	WI	
Service to low Income consumers	•				•		•					•	•				•				•		•	

* There are 47 state credit union acts. Delaware, South Dakota, and Wyoming do not have a state credit union act.

Appendix C

Credit Unions in Schools*

Provides for:	AL	AK	AZ	AR	CA	CO	CT	FL	GA	HI	ID	IL	IN	IA	KS	KY	LA	ME	MD	MA	MI	MN	MS	MO	
Credit Unions in Schools																							•		
	MT	NE	NV	NH	NJ	NM	NY	NC	ND	OH	OK	OR	PA	RI	SC	TN	TX	UT	VT	VA	WA	WV	WI		
Credit Unions in Schools	•						•			•															

Note: Most states allow credit unions in schools; however the authority is typically outside the state credit union act.

* There are 47 state credit union acts. Delaware, South Dakota, and Wyoming do not have a state credit union act.

APPENDIX D

Membership Retention*

May retain membership:	AL	AK	AZ	AR	CA	CO	CT	FL	GA	HI	ID	IL	IN	IA	KS	KY	LA	ME	MD	MA	MI	MN	MS	MO
After leaving the field of membership					•	•			•	•	•	•		•	•	•					•	•		•
As provided in the bylaws						•					•										•			
Unless otherwise provided in the bylaws					•									•										
Unless otherwise provided in the articles																								
At the board's discretion									•		•													
Under standards established by the board										•						•								
As a matter of policy of the board																								
	MT	NE	NV	NH	NJ	NM	NY	NC	ND	OH	OK	OR	PA	RI	SC	TN	TX	UT	VT	VA	WA	WV	WI	
After leaving the field of membership	•	•	•		•	•		•		•		•	•		•		•	•	•	•		•		
As provided in the bylaws																								
Unless otherwise provided in the bylaws						•				•								•		•				
Unless otherwise provided in the articles										•														
At the board's discretion			•																					
Under standards established by the board		•			•										•		•					•		
As a matter of policy of the board	•							•																

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APPENDIX E

Member Liability*

Member Liability:	AL	AK	AZ	AR	CA	CO	CT	FL	GA	HI	ID	IL	IN	IA	KS	KY	LA	ME	MD	MA	MI	MN	MS	MO	
Members are not liable for credit union debts			•	•				•		•		•				•									
Members are not liable for an amount in excess of the par value of their shares																									
Unless otherwise provided in the bylaws																									
	MT	NE	NV	NH	NJ	NM	NY	NC	ND	OH	OK	OR	PA	RI	SC	TN	TX	UT	VT	VA	WA	WV	WI		
Members are not liable for credit union debts	•	•			•	•	•	•				•			•			•	•	•		•			
Members are not liable for an amount in excess of the par value of their shares								•																	
Unless otherwise provided in bylaws								•																	

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APPENDIX F

Termination of Membership*

	AL	AK	AZ	AR	CA	CO	CT	FL	GA	HI	ID	IL	IN	IA	KS	KY	LA	ME	MD	MA	MI	MN	MS	MO
Termination of Membership	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
By two-thirds vote of members present at a special meeting	•	•																				•		
By two-thirds vote of members present at a regular meeting															•	•	•							•
By two-thirds vote of members present at a special or regular meeting			•						•			•												
By majority of members present at a special or regular meeting																								
After a hearing	•	•										•				•						•		
By the board of directors unless the bylaws provide otherwise					•														•					
For enumerated causes					•			•			•		•	•	•			•	•		•			
After an opportunity to be heard at a meeting	•																							
Board may expel members pursuant to a written policy after a hearing			•			•									•									
Board may expel members pursuant to a written policy without a hearing												•										•		•
Board may expel members after a hearing				•			•			•	•							•						
Board may expel members for reasons in the bylaws, by two-thirds vote									•															
Board may expel members by two-thirds vote																							•	
Board may expel members by majority vote														•								•		
Board or board designated representatives may expel members																								
Expelled members may appeal to members					•									•										
Expelled members may be reinstated by two-thirds vote of members present at special meeting					•																			
Expelled members may be reinstated by majority vote of members present at hearing														•										
Expelled members may be reinstated by majority vote of board																								
Expelled members may request reconsideration of expulsion																			•					•

* There are 47 state credit union acts. Delaware, South Dakota, and Wyoming do not have a state credit union act.

APPENDIX F

Termination of Membership*

	MT	NE	NV	NH	NJ	NM	NY	NC	ND	OH	OK	OR	PA	RI	SC	TN	TX	UT	VT	VA	WA	WV	WI
Termination of Membership		•	•	•			•	•			•	•	•	•	•	•	•	•	•	•	•	•	•
By two-thirds vote of members present at special meeting																							
By two-thirds vote of members present at regular meeting																•							
By two-thirds vote of members present at a special or regular meeting		•									•											•	
By majority of members present at a special or regular meeting													•						•				
After a hearing		•									•		•						•			•	
By the board of directors unless the bylaws provide otherwise																							
For enumerated causes				•			•	•				•		•			•	•		•			•
After an opportunity to be heard at a meeting																							
Board may expel members pursuant to a written policy after a hearing							•												•				
Board may expel members pursuant to a written policy without a hearing		•									•				•							•	•
Board may expel members after a hearing				•				•					•	•						•			
Board may expel members for reasons in the bylaws, by two-thirds vote of the board																							
Board may expel members by two-thirds vote													•										
Board may expel members by majority vote			•									•											
Board or board designated representatives may expel members																		•					
Expelled members may appeal to members																							
Expelled members may be reinstated by two-thirds vote of members present at special meeting																							
Expelled members may be reinstated by majority vote of members present at hearing																							
Expelled members may be reinstated by majority vote of board																			•				
Expelled members may request reconsideration of expulsion		•									•	•			•							•	•

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APPENDIX G

Suspension of Services*

Suspension of Services:	AL	AK	AZ	AR	CA	CO	CT	FL	GA	HI	ID	IL	IN	IA	KS	KY	LA	ME	MD	MA	MI	MN	MS	MO	
Member may be denied credit union services															
If there is a written policy approved by the board																									
If member causes a loss to the credit union															
If member violates board policy applicable to members												.		.											
If member violates the membership agreement														.											
If member is physically or verbally abusive to a credit union member or staff														.											
If member commits fraud or another misdeed against the credit union or a person on the premises of the credit union													.								.				
If member does not carry out his or her engagements with the credit union																									
If member has been convicted of a criminal offense																									
If member neglects or refuses to comply with the credit union act or the bylaws																									
If member habitually neglects to pay his or her debts																									
If member becomes insolvent or bankrupt																									
Member allowed to maintain account and vote during suspension												.		.											

* There are 47 state credit union acts. Delaware, South Dakota, and Wyoming do not have a state credit union act.

APPENDIX G

Suspension of Services*

Suspension of Services:	MT	NE	NV	NH	NJ	NM	NY	NC	ND	OH	OK	OR	PA	RI	SC	TN	TX	UT	VT	VA	WA	WV	WI	
Member may be denied credit union services							•										•		•		•			
If there is a written policy approved by the board							•																	
If member causes a loss to the credit union																								
If member violates board policy applicable to members																								
If member violates the membership agreement																								
If member is physically or verbally abusive to a credit union member or staff							•																	
If member commits fraud or another misdeed against the credit union or a person on the premises of the credit union																								
If member does not carry out his or her engagements with the credit union							•																	
If member has been convicted of a criminal offense							•																	
If member neglects or refuses to comply with the credit union act or the bylaws							•																	
If member habitually neglects to pay his or her debts							•																	
If member becomes insolvent or bankrupt							•																	
Member allowed to maintain account and vote during suspension							•																	

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APPENDIX H

Regular Meetings of Members*

Annual Meetings	AL	AK	AZ	AR	CA	CO	CT	FL	GA	HI	ID	IL	IN	IA	KS	KY	LA	ME	MD	MA	MI	MN	MS	MO
Held according to bylaws			•	•	•	•	•	•		•	•		•	•	•	•	•		•	•	•	•	•	
Held within 3 months after end of the fiscal year		•																						
Held at location in the bylaws		•										•												
Held according to the notice									•															
Held in January, February or March or other month approved by the regulator												•												
Held on date established by the board													•					•						
Held at date and location established by the board																			•					
Held no later than 180 days afer end of the fiscal year																		•						
Held no later than 120 days after end of the fiscal year																				•				
Held before March 31 of each year																							•	
Held no later than 90 days after end of the fiscal year																								
Held the first Friday of March of each year																								
	MT	NE	NV	NH	NJ	NM	NY	NC	ND	OH	OK	OR	PA	RI	SC	TN	TX	UT	VT	VA	WA	WV	WI	
Held according to bylaws	•	•	•	•		•		•	•	•	•	•	•		•	•	•	•	•	•	•	•	•	•
Held within 3 months after end of fiscal year																								
Held at location in the bylaws																								
Held according to the notice																								
Held in January, February or March or other month approved by the regulator																								
Held on date established by the board																								
Held at date and location established by the board					•																			
Held no later than 180 days afer end of the fiscal year																								
Held no later than 120 days after end of the fiscal year																								
Held before March 31 of each year																	•							
Held no later than 90 days after end of the fiscal year				•																				
Held the first Friday of March of each year										•														

* There are 47 state credit union acts. Delaware, South Dakota, and Wyoming do not have a state credit union act.

APPENDIX I

Special Meetings of Members*

Special Meetings:	AL	AK	AZ	AR	CA	CO	CT	FL	GA	HI	ID	IL	IN	IA	KS	KY	LA	ME	MD	MA	MI	MN	MS	MO
Held According to bylaws	•	•	•	•		•	•	•		•	•	•		•		•					•	•		
Held upon request of 10 board members or 3% of members, whichever is greater					•																			
Held upon request of board or supervisory committee or 10% or members (or a lesser percentage if set forth in bylaws)							•																	
Held by order of board or 10% of members									•															
Held by order of board or supervisory committee or 10% of members												•		•		•		•					•	•
Held by order of board or by request of 25 members or 5% of members, whichever is greater (but not more than 500 members)																	•							
Held by majority of board or request of at least 10 members																				•				
	MT	NE	NV	NH	NJ	NM	NY	NC	ND	OH	OK	OR	PA	RI	SC	TN	TX	UT	VT	VA	WA	WV	WI	
Held According to bylaws	•	•	•		•	•			•		•	•	•		•		•	•	•	•		•	•	
Held upon request of 10 board members or 3% of members, whichever is greater																								
Held upon request of board or supervisory committee or 10% or members (or a lesser percentage if set forth in bylaws)																								
Held by order of board or 10% of members								•																
Held by order of board or supervisory committee or 10% of members				•																	•			
Held by order of board or by request of 25 members or 5% of members, whichever is greater (but not more than 500 members)																								
Held by majority of board or request of at least 10 members																								

* There are 47 state credit union acts. Delaware, South Dakota, and Wyoming do not have a state credit union act.